

# Financial Statements

April 30, 2023



CITY OF WATERLOO, ILLINOIS

FINANCIAL STATEMENTS

YEAR ENDED APRIL 30, 2023

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ALTON EDWARDSVILLE BELLEVILLE HIGHLAND  
JERSEYVILLE COLUMBIA CARROLLTON

## INDEPENDENT AUDITOR'S REPORT

To the City Council  
City of Waterloo, Illinois

### **Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Waterloo, Illinois (the City) as of and for the year ended April 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Waterloo, Illinois as of April 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Waterloo, Illinois, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Waterloo, Illinois' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Waterloo, Illinois' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Waterloo, Illinois' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension information, other postemployment benefit information, and budgetary comparison information on pages 4 - 21, and A1 - A27 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The Other Supplemental Information, as listed in the Table of Contents, is presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedules 11-17 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual major and nonmajor fund financial statements, schedules of expenditures, and schedule of investments are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Additional Information**

Management is responsible for the additional information included in the annual report. The additional information comprises the statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the additional information, and we do not express an opinion or any other form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the additional information and consider whether a material inconsistency exists between the additional information and the basic financial statements, or the additional information otherwise to be materially misstated. If based on the work performed, we conclude that an uncorrected material misstatement of the additional information exists, we are required to describe it in our report.

*S. Scheffel Boyle*

Scheffel Boyle  
Columbia, Illinois  
January 26, 2024

**FINANCIAL SECTION**



# CITY OF WATERLOO

## Management's Discussion and Analysis April 30, 2023

The City of Waterloo's (the City) Management's Discussion and Analysis (MD&A) is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the City's financial activity, (c) identify changes in the City's financial position, (d) identify material deviations from the financial plan, and (e) identify individual fund issues or concerns.

Since the MD&A is designed to focus on the current fiscal year's activities, resulting changes and currently known facts, please read it in conjunction with the City's basic financial statements (beginning on page 22).

### **Financial Highlights**

- The net assets of the City of Waterloo exceeded its liabilities at April 30, 2023 by \$93,898,373. Net assets invested in capital assets (net of depreciation and related debt) account for 66% of this amount, with a value of \$61,900,443. Other restricted assets account for 3% or \$2,684,301. The remaining assets may be used to meet the government's ongoing obligations to citizens and creditors, without legal restriction.
- The City's net position increased by \$2,486,678. Governmental activities resulted in an increase in net position of \$1,352,162 with receipts in excess of expenditures. Net position from business-type activities increased \$1,134,516 as a result of operating revenue in excess of expenditures and capital assets depreciation.
- During the fiscal year ended April 30, 2016, the City adopted *Government Accounting Standards Board Statement No. 68, Accounting and Financial Reporting for Pensions*. This statement changes the accounting principles relative to the City's participation in the Illinois Municipal Retirement Fund (IMRF) and the City's Police Pension Fund. In accordance with GASB No. 68, the City recognizes the net pension liability of \$1,351,696 for IMRF, and liability of \$5,495,199 for Police Pension on the statement of net position.
- During the fiscal year ended April 30, 2019, the City adopted *Government Accounting Standards Board Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This statement changes the accounting principles relative to the City's reporting of projected benefit payments to be provided to current active and inactive employees. In accordance with GASB No. 75, the City recognizes the net post-employment benefit obligation of \$1,101,866 on the statement of net position.
- The City of Waterloo currently collects a utility franchise fee from the business-type activities (electric, gas, water and sewer) of 5% of gross receipts. A fee is also collected from cable service providers and telecommunications providers through the Simplified Telecommunications Tax Act. The General Fund collected \$964,486 of fees during the current fiscal year.

- The City of Waterloo entered into a joint agreement for federal participation between IDOT and the City of Waterloo on the Moore Street Phase IV project. Contract awarded for the project at a cost of \$1,530,183.77 with the federal portion being \$525,000.00 and the balance to be paid by the City of Waterloo General Fund. \$288,920 is payable on project at fiscal year end 4/30/23.
- The City of Waterloo entered into a joint agreement for federal participation between IDOT and the City of Waterloo on the Moore Street Phase V & VI project. Contract awarded for the project at a cost of \$2,266,806.12 with the federal portion being \$884,000.00. The City of Waterloo has allocated, with IDOT approval, \$716,639.40 of Local Rebuild Illinois Bond Funds towards this project and the balance to be paid by the City of Waterloo General Fund. \$453,361 is payable on this project at fiscal year end 4/30/23.
- The City of Waterloo received \$719,751.72 during fiscal year 4/30/23 as part of the American Rescue Plan Act (ARPA) from the Coronavirus Local Fiscal Recovery Fund. The total ARPA amount the City of Waterloo received is \$1,439,503.43 and is to be used towards the construction of the water plant/tower projects.
- The City of Waterloo passed Resolutions 19-02, 19-03 and 21-03, authorizing the design and bidding services related to the new 3.25 million gallon water treatment facility for the City of Waterloo with a total not to exceed \$1,145,000.00 and for easement services related to the new 3.25 million gallon water treatment facility for the City of Waterloo with a total not to exceed \$145,000.00.
- The City of Waterloo received final approval for loan funds from the Illinois Environmental Protection Agency in the amount of \$33,929,910.07 at a 0.93% interest rate with a term of 30 years for the water treatment plant, wells, and water tower projects.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$8,476,125, or 86% of total general fund expenditures.
- The City of Waterloo is under the Property Tax Extension Limitation Law (PTELL), which limits the amount of property taxes that the County Clerk can extend for non-home rule governments. The City's increase in the amount of taxes over the prior year is limited to 5%, or the Consumer Price Index (CPI), whichever is less. New property is excluded from this calculation.

## **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the City of Waterloo's basic financial statements. The basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

### **Government-wide financial statements**

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities include general government, public safety, highways and streets, sanitation, health, culture and recreation, and debt service. The business-type activities include electric, gas, water, and sewer utilities.

The statement of net position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. This statement serves a purpose similar to that of the balance sheet of a private-sector business. Over time, increases or decreases in net position may serve as a useful indicator of financial health of the City. Other indicators include the condition of the City's infrastructure systems (roads, drainage systems, bridges, etc.), changes in property tax base, and general economic conditions within the City.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. Because it separates program revenue (revenue generated by specific programs through charges for services, grants, and contributions) from general revenue (revenue provided by taxes and other sources not tied to a particular program), it shows to what extent each program has to rely on taxes for funding. All changes in net assets are reported using the accrual basis of accounting, similar to the method used by most private-sector companies. The accrual basis of accounting requires that revenues be reported when they are earned and expenses are reported when the goods and services are received, regardless of the timing of the cash flow. Items such as uncollected taxes and charges for services, unpaid vendor invoices for items received before April 30, 2023, earned but unused sick or vacation leave, and pension obligations will be included in the statement of activities as revenue and expense, even though the cash associated with these items will not be received or distributed until after April 30, 2023.

The City has no separately identified component units included in the government-wide financial statements.

## **Fund Financial Statements**

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Waterloo, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Waterloo can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. Governmental Funds are used to account for most, if not all, of a government's tax-supported activities. Proprietary Funds are used to account for a government's business-type activities, where all or part of the costs of activities are supported by fees and charges that are paid directly by those who benefit from the activities. Fiduciary Funds are used to account for resources that are held by the government as a trustee or agent for parties outside of the government. The resources of fiduciary funds cannot be used to support the government's own programs.

*Governmental Funds.* The Balance Sheet - Governmental Funds and Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds present separate columns of financial data for the General Fund. GASB Statement No. 34 defines a major fund as a fund whose assets, liabilities, revenues or expenditures comprise 1) at least 10% of the total dollar amount of the same category within either all government or all enterprise funds, as appropriate, and 2) at least 5% of the total dollar amount of all governmental and enterprise funds combined for the same category. The General Fund is always considered a major fund. The governmental fund financial statements can be found immediately following the government-wide financial statements.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources and on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements in comparison to near-term resources available.

Because the focus of governmental fund financial statements is narrower than that of government-wide financial statements, it is useful to compare information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide reconciliation to the governmental activities column in the government-wide statements, in order to facilitate this comparison.

The City adopts an annual budget for its governmental funds. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

*Proprietary Funds.* The City maintains one type of proprietary fund. Enterprise Funds are used to report the same function presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its electric, gas, water, and sewer utility operations.

Proprietary fund statements follow the governmental fund statements in this report. They provide the same type of information as the government-wide financial statements, only in more detail, since both apply the accrual basis of accounting. The proprietary fund financial statements provide information for the Electric Fund, Gas Fund, Water Fund, Sewer Fund, and Utility Deposit Fund of the City. There are no reconciling differences from the Proprietary Fund Statement of Net Assets to the business-type activity column on the Government-Wide Statement of Net Position.

*Fiduciary Funds.* Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The Statement of Fiduciary Net Assets can be found following the proprietary fund financial statements.

### **Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic financial statements in this report.

### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents combining statements, schedules of expenditures, and other supplementary information.

## Government-Wide Financial Analysis

### Statement of Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The City's net position total is \$93,898,373 at April 30, 2023. The following table reflects the condensed Government-Wide Statement of Net Position:

#### City of Waterloo's Net Position

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Current and Other Assets	\$15,908,019	\$15,777,475	\$26,758,341	\$24,263,169	\$ 42,666,360	\$ 40,040,644
Non-Current Assets	18,004,790	16,123,229	43,895,653	46,487,513	61,900,443	62,610,742
<b>Total Assets</b>	<u>\$33,912,809</u>	<u>\$31,900,704</u>	<u>\$70,653,994</u>	<u>\$70,750,682</u>	<u>\$104,566,803</u>	<u>\$102,651,386</u>
Deferred Outflows of Resources	\$ 3,810,806	\$ 2,702,800	\$ 2,946,956	\$ 645,762	\$ 6,757,762	\$ 3,348,562
Long-term Liabilities	\$ 7,092,572	\$ 5,104,632	\$ 1,950,086	\$ 1,033,688	\$ 9,042,658	\$ 6,138,320
Other Liabilities	599,876	575,307	1,322,452	1,209,180	1,922,328	1,784,487
<b>Total Liabilities</b>	<u>\$7,692,448</u>	<u>\$5,679,939</u>	<u>\$ 3,272,538</u>	<u>\$ 2,242,868</u>	<u>\$ 10,964,986</u>	<u>\$ 7,922,807</u>
Deferred Inflows of Resources	<u>\$3,267,335</u>	<u>\$3,511,895</u>	<u>\$ 3,193,871</u>	<u>\$ 3,153,551</u>	<u>\$ 6,461,206</u>	<u>\$ 6,665,446</u>
Net Position:						
Invested in Capital Assets, net of related debt	18,004,790	16,123,229	43,895,653	44,251,929	61,900,443	60,375,158
Restricted	2,684,301	3,010,863	-	-	2,684,301	3,010,863
Unrestricted	<u>6,074,741</u>	<u>6,277,578</u>	<u>23,238,888</u>	<u>21,748,096</u>	<u>29,313,629</u>	<u>28,025,674</u>
<b>Total Net Position</b>	<u>\$26,763,832</u>	<u>\$25,411,670</u>	<u>\$67,134,541</u>	<u>\$66,000,025</u>	<u>\$ 93,898,373</u>	<u>\$ 91,411,695</u>

The City of Waterloo's total assets are \$104,566,803 as of April 30, 2023. Of this amount, \$61,900,443 is accounted for by capital assets, which includes infrastructure. Historically, infrastructure (roads, bridges, etc.) has not been included in capital assets reporting for governmental activities. GASB Statement No. 34 requires that all capital assets, including infrastructure, be reported. The City reports all of its infrastructure assets in compliance with GASB 34 requirements.

Additionally, the government must elect to either 1) depreciate these assets over their estimated useful life or 2) develop a system of asset management designed to maintain their condition perpetually and to report on their condition within the financial statements. The City has elected the first method and will use the depreciation method on infrastructure systems reporting.

Of the remaining City assets, \$36,302,235 is accounted for in cash, cash equivalents, and pooled investments, \$5,722,785 in accounts, taxes, and other receivable, and \$641,340 in miscellaneous assets.

Deferred outflows of resources at April 30, 2023 is \$6,757,762 as a result of the inclusion of obligations related to pensions and other post employment benefits.

As of April 30, 2023, the City had outstanding liabilities of \$10,964,986 consisting of \$1,582,575 in accounts payable, \$1,199,254 in accrued liabilities, \$234,396 in deposits payable to customers, \$1,101,866 in other post employment benefit obligation, and \$6,846,895 in net pension liability.

Deferred inflows of resources at April 30, 2023 is \$6,461,206 with \$2,860,564 related to pensions, \$560,755 related to other post employment benefits, \$1,600,383 in unavailable property tax revenue, and \$1,439,504 deferred grant revenue.

The largest portion of the City's net position (65.9 percent) reflects its investment in capital assets, less any outstanding related debt used to acquire those assets. The City's capital assets are used to provide services to citizens. Consequently, investments in capital assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the City's net position (2.9 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (31.2 percent) may be used to meet the City's ongoing obligations to its citizens and creditors for all activities.

At April 30, 2023, the City had positive balances in all categories of net position, for the government as a whole, for governmental activities, and for business-type activities.

## Statement of Activities – Changes in Net Assets

The following schedule compares the revenues and expense for the current fiscal year.

### City of Waterloo's Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Program Revenues:</b>						
Charges for services	\$ 1,915,317	\$ 1,819,774	\$20,617,328	\$19,780,512	\$22,532,645	\$21,600,286
Operating grants and contributions	38,407	49,237	-	-	38,407	49,237
Capital grants and contributions	458,251	967,936	-	-	458,251	967,936
<b>General Revenues:</b>						
Property taxes	1,538,910	1,460,798	-	-	1,538,910	1,460,798
Intergovernmental revenues	6,396,749	6,308,923	-	-	6,396,749	6,308,923
Utility taxes	764,748	727,044	-	-	764,748	727,044
Other	<u>877,260</u>	<u>523,676</u>	<u>227,794</u>	<u>(723,966)</u>	<u>1,105,054</u>	<u>(200,290)</u>
<b>Total Revenues</b>	<u>11,989,642</u>	<u>11,857,388</u>	<u>20,845,122</u>	<u>19,056,546</u>	<u>32,834,764</u>	<u>30,913,934</u>
<b>Expenses:</b>						
General government	1,424,338	1,183,108	-	-	1,424,338	1,183,108
Public safety	4,075,982	3,728,847	-	-	4,075,982	3,728,847
Highways and streets	3,264,189	3,216,649	-	-	3,264,189	3,216,649
Sanitation	897,322	864,185	-	-	897,322	864,185
Health	50	100	-	-	50	100
Culture and recreation	975,599	844,214	-	-	975,599	844,214
Small Business Grant Expenditures	-	-	-	-	-	-
Electric fund	-	-	11,519,694	10,974,695	11,519,694	10,974,695
Gas fund	-	-	3,796,782	3,248,583	3,796,782	3,248,583
Water fund	-	-	2,544,048	2,174,239	2,544,048	2,174,239
Sewer fund	-	-	<u>1,850,082</u>	<u>1,722,992</u>	<u>1,850,082</u>	<u>1,722,992</u>
<b>Total Expenses</b>	<u>10,637,480</u>	<u>9,837,103</u>	<u>19,710,606</u>	<u>18,120,509</u>	<u>30,348,086</u>	<u>27,957,612</u>
Transfer of Funds	-	-	-	-	-	-
Increase (decrease) in net assets	1,352,162	2,020,285	1,134,516	936,037	2,486,678	2,956,322
Net position– beginning	<u>25,411,670</u>	<u>23,391,385</u>	<u>66,000,025</u>	<u>65,063,988</u>	<u>91,411,695</u>	<u>88,455,373</u>
Net position – ending	<u>\$26,763,832</u>	<u>\$25,411,670</u>	<u>\$67,134,541</u>	<u>\$66,000,025</u>	<u>\$93,898,373</u>	<u>\$91,411,695</u>

Total revenues for the City of Waterloo were \$32,834,764 for the year ended April 30, 2023. Governmental activities provided \$11,989,642 (36.5 percent), while \$20,845,122 (63.5 percent) of business-type activities revenue was provided by charges for services, connection fees, and other operating revenue.

### Financial Analysis of the City's Funds

As noted earlier, the City of Waterloo uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The following is a financial analysis of the City's governmental and proprietary funds.

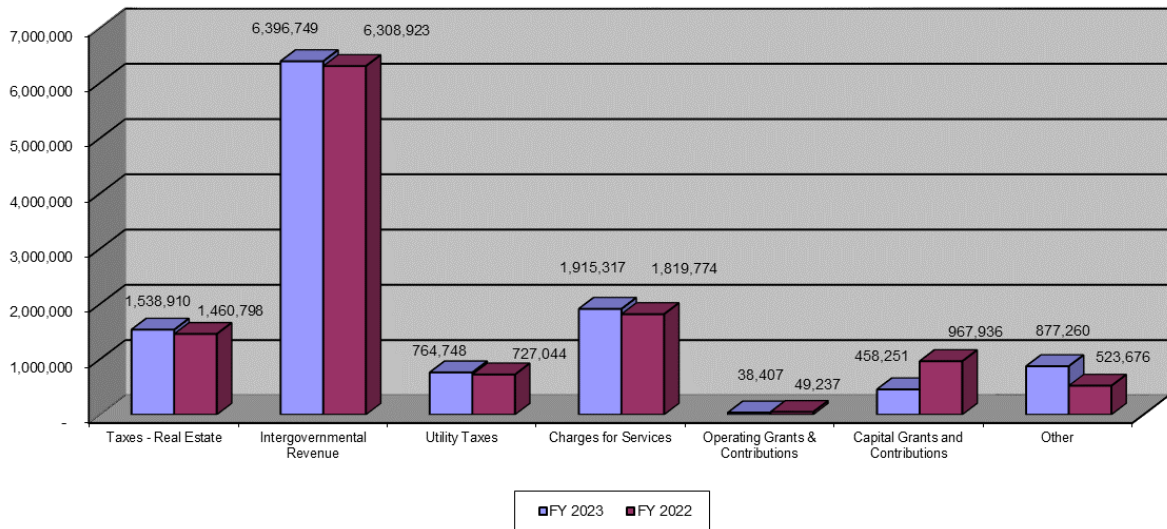


## Governmental Funds Revenue and Expense Analysis

The general governmental functions are contained in the General Fund. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

### Revenues Classified by Source Governmental Funds

Revenues by Source	April 30, 2023		April 30, 2022		Increases/Decreases	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Change
Taxes – Real Estate	\$ 1,538,910	12.84%	\$ 1,460,798	12.32%	\$ 78,112	5.35%
Intergovernmental Revenue	6,396,749	53.35	6,308,923	53.21	87,826	1.39
Utility Taxes	764,748	6.38	727,044	6.13	37,704	5.19
Charges for Services	1,915,317	15.97	1,819,774	15.35	95,543	5.25
Operating Grants and Contributions	38,407	0.32	49,237	0.41	(10,830)	(22.00)
Capital Grants and Contributions	458,251	3.82	967,936	8.16	(509,685)	(52.66)
Other	877,260	7.32	523,676	4.42	353,584	67.52
<b>Total Revenues</b>	<b>\$11,989,642</b>	<b>100.00%</b>	<b>\$11,857,388</b>	<b>100.00%</b>	<b>\$ 132,254</b>	<b>1.12%</b>



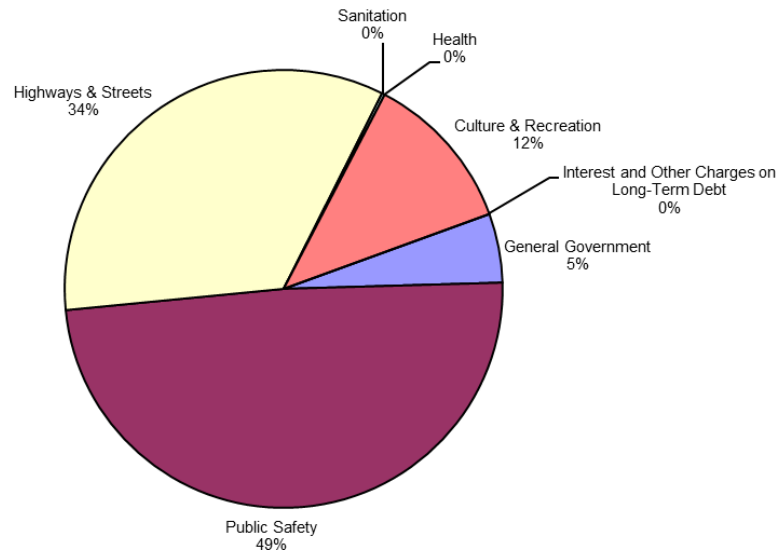
- Real estate taxes** - This consists of real estate tax receipts received in 2023 for corporate, road and bridge, IMRF & FICA, police pension, band, and library purposes for the 2021 tax year. The 2022 real estate tax rate was .52990%, up from the 2021 real estate tax rate of .52404%. Under PTELL, the amount of taxes over the prior year is limited to 5% or the Consumer Price Index (CPI), whichever is less, excluding new property.

- **Intergovernmental revenue** – Up overall 1.39% from the previous year. Intergovernmental revenue includes sales tax, business district sales tax, state income tax, state replacement tax, video gaming, cannabis use tax and motor fuel tax.
  - Sales taxes were \$2,986,098, an increase of 5.50% from the previous year.
  - A Business District was formed in January 2008 and \$103,554 was collected in the Business District Tax Fund, a decrease of 2.61% from the previous year.
  - State income taxes were \$2,149,974, a decrease of 0.62% from the previous year.
  - Video gaming began in January 2013 in which the City received \$262,308 from video gaming, an increase of 2.58% from the previous year.
  - Cannabis use tax began in January 2020 in which the City received \$16,969 from cannabis use tax during the fiscal year; a decrease of 3.07%.
  - Motor fuel taxes and state replacement taxes were \$877,846, a decrease of 6.16% from the previous year.
  
- **Utility taxes** – Up overall 5.19% from the previous year. This consists of a municipal electric tax \$308,222 (0.56% increase), which is a step-rate based on 1kilowatt hour usage, a 5% municipal tax on gas and water usage \$293,362 (17.00% increase), and other utility tax revenue \$163,164 (3.92% decrease), received from electric suppliers to City residents and from telecommunications companies through the Simplified Telecommunications Tax Act administered by the Illinois Department of Revenue.
  
- **Charges for services** – Up overall 5.25% from the previous year. This consists of charges for refuse collection \$914,306 (3.89% increase), a utility franchise charge from the business-type activities \$964,486 (6.69% increase), court fines \$36,525 (2.23% increase).
  
- **Operating grants and contributions** – This consists of grants received from the State of Illinois. During Fiscal Year 4/30/23, the City received \$11,751 from Illinois Department of Transportation Highway Safety reimbursement, \$10,412 from Illinois Law Enforcement Alarm Systems for training reimbursement, and the Library received a grant of \$16,244. There were no asset seizures during the fiscal year through the police department.
  
- **Capital grants and contributions** – This consists of contributed assets or street improvements (infrastructure), which is not normally reported as revenues, however, in the statement of activities, the cost of these assets are reported as program revenue. There were \$458,251 capital grants and contributions recognized in the current year.
  
- **Other** – Up overall 67.52% from the previous year. This consists of licenses and permits \$264,640 (6.07% decrease), which includes building and other permits, inspection fees, liquor licenses, and franchise license fees. The remaining is interest income and investment income of \$362,747 (72.5% increase) and miscellaneous income \$249,873 (1.09% increase).

Expenses and Program Revenues (Net) – Governmental Activities

City of Waterloo, Illinois  
Net Expenses  
(Expenses offset by revenues and changes in net assets derived by the functions)

April 30, 2023



The new reporting model allows us to present the net cost by function. The above chart represents the true cost of each function because we have offset the costs by the revenues and contributions derived by those departments.

- **General government** consists of the general and financial administration of the City of Waterloo. Departmental expenses in general government include legal, city clerk, legislation, zoning, annexation, finance, and building.
- **Public safety** departmental expenses include police, police commission, and ESDA. On May 1, 2003, the City of Waterloo Fire Department was consolidated with the Waterloo Rural Fire Protection District to form the Waterloo Community Fire Protection District, a tax-levying body.
- **Highways and streets** include the highway and street department in the General Fund as well as expenditures from the Motor Fuel Tax Fund. Expenditures are also offset by the capital contribution of new streets accepted into the City.
- **Sanitation** expense is the expenditure to an outside contractor for refuse collection. The amount collected from residents wholly offsets the expense for collection.
- **Health** includes any expenditure for health related issues.

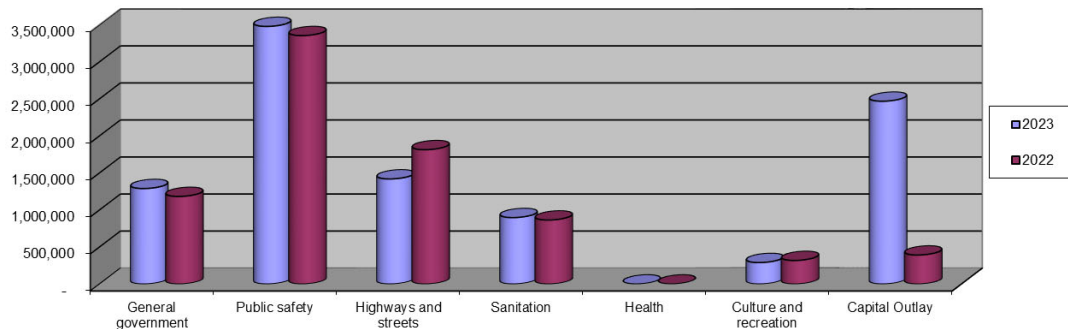
- **Culture and recreation** includes expenditures of the municipal band and library. It also includes support towards community relations programs, the sister cities program and other senior citizen programs.
- **Interest and other charges on long-term debt** is the interest on any debt payment. The City currently has no debt in governmental activities.

The General Fund is the chief operating fund of the City. On April 30, 2023, unreserved fund balance of the General Fund was \$8,476,125. Total assets in the General Fund amounted to \$10,824,883, accounting for 67.98% of total governmental fund assets.

### CITY OF WATERLOO'S GENERAL FUND

	2023	2022	Variance
<b>REVENUES:</b>			
Taxes – Real Estate	\$1,010,919	\$ 948,528	\$ 62,391
Intergovernmental	5,723,126	5,529,615	193,511
Utility Taxes	136,107	143,175	( 7,068)
Charges for services	1,878,792	1,784,047	94,745
Licenses and permits	264,640	281,736	(17,096)
Fines	36,525	35,727	798
Grants	22,163	19,039	3,124
Miscellaneous	183,463	211,113	(27,650)
Interest	289,385	10,614	278,771
<b>TOTAL REVENUES</b>	<b>9,545,120</b>	<b>8,963,594</b>	<b>581,526</b>
<b>EXPENDITURES:</b>			
General government	1,289,024	1,182,748	106,276
Public safety	3,478,540	3,354,601	123,939
Highways and streets	1,419,077	1,813,972	(394,895)
Sanitation	897,322	864,185	33,137
Health	50	100	(50)
Culture and recreation	289,989	318,332	(28,343)
Capital Outlay	2,468,670	391,689	2,076,981
<b>TOTAL EXPENDITURES</b>	<b>9,842,672</b>	<b>7,925,627</b>	<b>1,917,045</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>( 297,552)</b>	<b>1,037,967</b>	<b>(1,335,519)</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers	-	-	-
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (297,552)</b>	<b>\$ 1,037,967</b>	<b>\$ (1,335,519)</b>

## City of Waterloo General Fund Expenditures



### **General Fund Budgetary Highlights**

The General Fund budget is approximately 11.9 million dollars. Differences between the original budget and the final budget were \$2,085,150. The difference includes an increase in revenue appropriations of \$783,200 and a decrease in expense appropriations of \$1,301,950. During the year, some revenue and expenditures were less than budgetary estimates.

Overruns exceeding \$5,000 are summarized below:

- Additional \$75,584 was expended in over-time salaries in the Police department.
- Additional \$14,420 was expended in communications in the Police department.
- Additional \$13,194 was expended in vehicle fuel and lube in the Police department.
- Additional \$40,602 in equipment-new in the Police department.
- Additional \$8,667 was expended in vacation leave in the Street department.
- Additional \$43,088 was expended in equipment repairs in the Street department.
- Additional \$6,667 was expended in insurance and bonds in the Street department.
- Additional \$18,939 was expended in vehicle fuel and lube in the Street department.
- Additional \$72,620 in street improvements in the Street department.

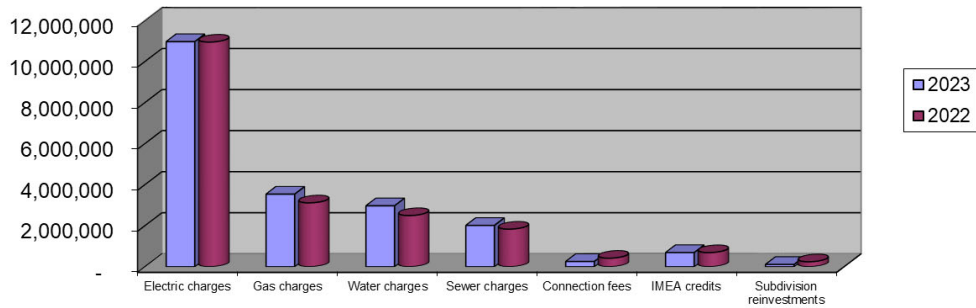
These overruns were offset by unused appropriations for alderman salaries of \$8,071, training of \$12,317, and sales tax rebate of \$11,573 in the legislative department; unused appropriations for human resource salaries of \$5,626, health insurance of \$15,381, health insurance reimbursement of \$7,909, and \$5,700 in tourism in the finance department; unused appropriations of \$37,517 for building repairs and \$9,304 in utilities in the building department; unused appropriations of \$68,111 of legal services; unused appropriations of \$8,540 for professional services in the zoning/building inspector department. Unused appropriations in the police department include \$124,198 of regular salaries, \$6,895 of holiday pay, \$25,039 of health insurance, \$8,620 of FICA, \$9,326 of training, \$6,228 of office equipment, \$5,123 of information systems, and \$7,345 from the DUI fund. Unused appropriations in the social services department include \$5,358 for refuse, \$8,424 of community relations, and \$36,369 of downtown enhancement. Unused appropriations in the street department include \$20,143 in regular salaries, \$7,649 for

part-time salaries, \$15,950 of overtime salaries, \$11,278 of interdepartmental salaries, \$32,262 of health insurance, \$5,575 of health insurance reimbursement, and \$8,138 in IMRF. Other unused appropriations in the street department include \$6,175 in clothing allowance, 8,544 in training, \$31,315 in street maintenance and repairs, \$53,958 in storm drains and \$2,902,777 of capital projects budgeted, but not expended. The capital projects budgeted, but not expended include a portion of Moore Street improvements which were completed, but not billed by the State of Illinois in the current fiscal year, multi-purpose path along Route 3, and Lakeview Drive curb and gutter and sidewalk project. Other projects budgeted, but not completed in the fiscal year include Moore St Phase VII, Rogers Street Extension, ADA ramps, and North Market sidewalk project.

**Proprietary Funds Revenue/Expense Analysis**

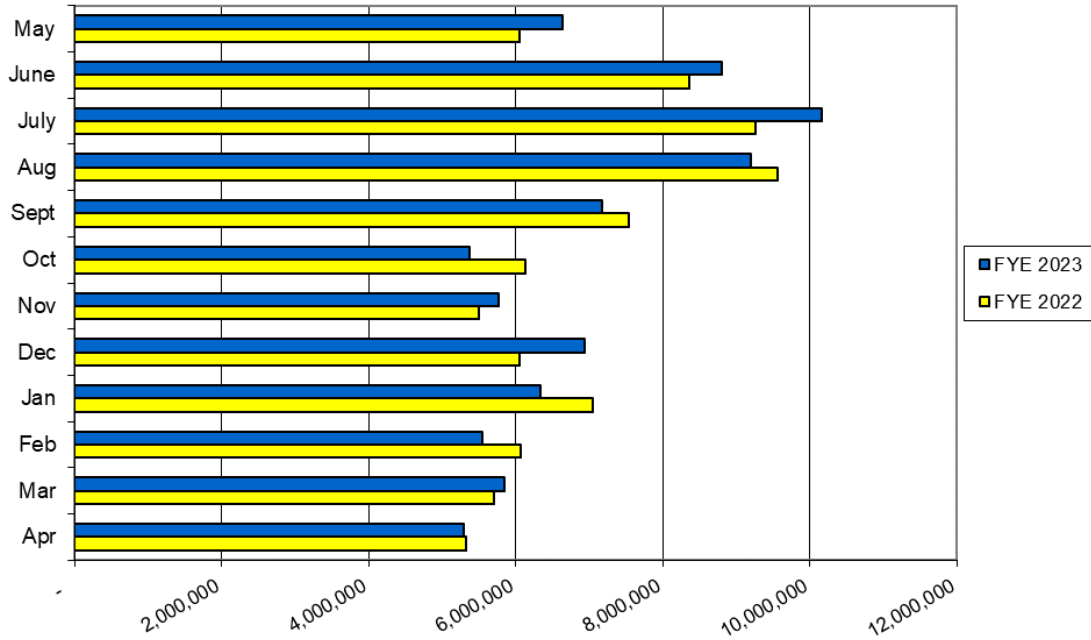
**Proprietary Funds Revenue**

The business-type activities (electric, gas, water, and sewer fund) operating revenues for year ended April 30, 2023 were \$20,559,343, up 4.22% from last year. Charges for services were \$19,495,560, a 6.05% increase from last year. Connection fees were 37.80% less than what was received in the previous year. IMEA credits, which the City receives from IMEA for the Gas Turbine engines at the Power Plant, were slightly more than the previous year. Subdivision reinvestments received for utilities installed in their respective developments was \$114,006 compared to \$241,916 received in the previous year.



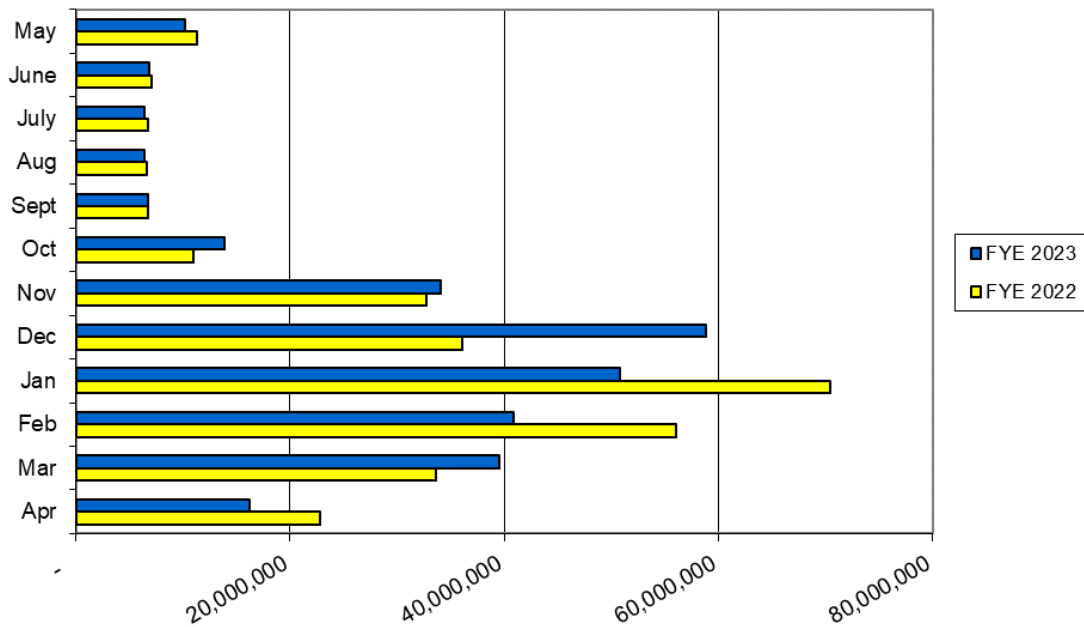
Electric charges for services increased 0.21% from the prior year, with a 0.56% increase in the consumption of kilowatt hours (excluding demand).

Electric – Kilowatt Hours Billed (Excludes Demand)



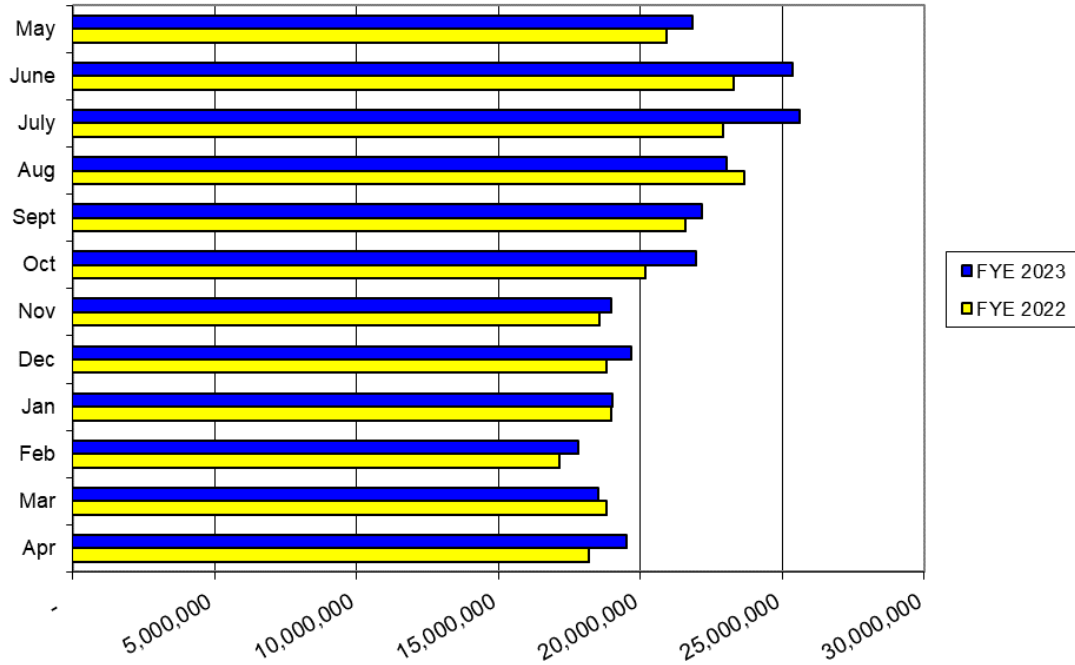
Gas charges for services increased 13.71% from the prior year, with a 3.40% decrease in the consumption of cubic feet of natural gas.

Gas – Cubic Feet Billed



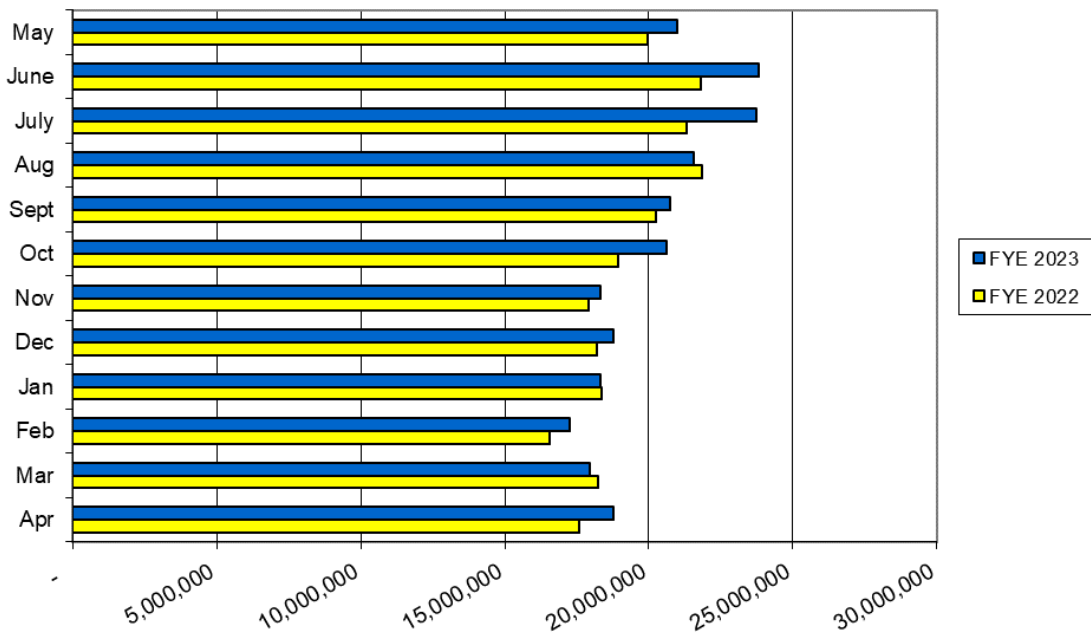
Water charges for services increased 19.21% from the prior year with a 4.30% increase in gallons billed.

Water – Gallons Billed



Sewer charges for services increased from the prior year, 10.03%. Since sewer is based on gallons of water consumed, there was also an increase in consumption of 4.30% from the prior year.

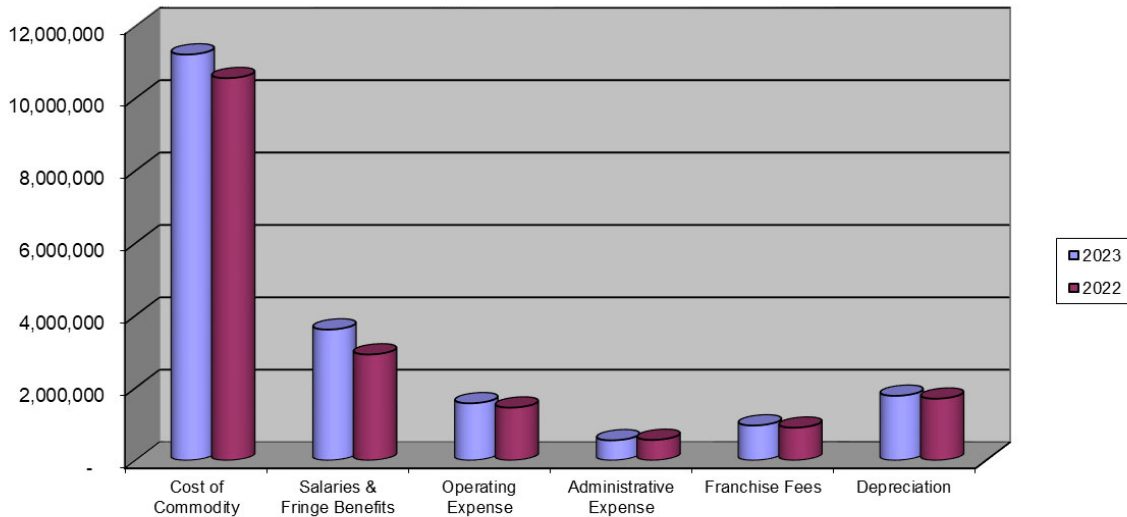
Sewer – Gallons Billed





## Proprietary Funds Expenses

The operating expenses of the proprietary funds for the fiscal year ended April 30, 2023 were \$19,710,606 up 8.78% from last year. Overall, the cost of electric, gas, and water purchased from an outside party increased from last year by \$652,081. Salaries and fringe benefits increased \$688,948, operating expenses increased \$120,124, and administrative expenses decreased \$10,644 from the prior year. Franchise fees also increased \$60,472 from the prior year. Finally, depreciation expense increased \$79,116.



## Capital Asset and Debt Administration

### Capital Assets

The City of Waterloo's total investment in capital assets, including construction in progress, for its governmental and business type activities as of April 30, 2023, amounts to \$61,900,443 (net of accumulated depreciation). This investment in capital assets includes land, buildings, furniture, machinery and equipment, and infrastructure.

Major capital project fund activities during the current fiscal year included the following:

#### Governmental Funds:

- Library equipment at a cost of \$20,892.
- Computer equipment at a cost of \$5,607 and a folder/insertor at a total cost of \$11,261 with \$2,252 charged to finance in administrative offices.
- Computer equipment at a cost of \$1,630 body cameras at a cost of \$10,890, car cameras at a cost of \$55,728, and three new police vehicles with equipment at a cost of \$149,907 were purchased in the Police department. Also charged to the Police department is \$2,261 for a mechanic shop AC machine which cost \$13,565 in total.
- Two dump trucks at a cost of \$351,944, computer equipment at a cost of \$1,007, and other equipment at a cost of \$10,105 were purchased by the street department.

- Street improvements include Natalie Estates and Remlok street and curb and gutter additions that were contributed capital by developers at a cost of \$458,251.
- Street improvements completed by the City include Moore Street, Veterans Drive and Library Street, and Morrison Avenue at a cost of \$4,068,826.
- Construction in progress includes costs incurred for Rogers Street extension and downtown overlay project.

#### Proprietary Funds:

- Equipment was purchased for use in the various utility departments at a total cost of \$237,372.
- A Ford Explorer was purchased for the Director of Public Works at a cost of \$46,308.
- A Ford Truck was purchased for the sewer department at a cost of \$87,991.
- Pump station improvements at a cost of \$29,500.
- Sewer line replacements were completed at a cost of \$165,364.
- A mini-excavator was purchased at a total cost of \$152,149.
- A mechanic service truck was purchased at a cost of \$152,334.
- The purchase of electric transformers and poles accounted for \$139,632 invested into the electrical system of the City of Waterloo.
- A Ford truck was purchased for the underground department at a cost of \$86,992.
- Gas meters at a cost of \$29,678 were capitalized.
- Construction in progress includes costs incurred for water treatment plant facility and well road construction, sewer line extension engineering and sewer lining program.

#### **Long-Term Debt**

The City of Waterloo has no bonded debt or loans outstanding as of April 30, 2023.

#### **Requests for Information**

The financial report is designed to provide a general overview of the City of Waterloo's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Director of Finance, City of Waterloo, 100 West Fourth St., Waterloo, IL 62298.

CITY OF WATERLOO, ILLINOIS  
STATEMENT OF NET POSITION  
APRIL 30, 2023

<u>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u>	<u>GOVERNMENTAL ACTIVITIES</u>	<u>BUSINESS-TYPE ACTIVITIES</u>	<u>TOTAL</u>
<b>CURRENT ASSETS:</b>			
Cash and Cash Equivalents	\$ 11,219,337	\$ 2,861,728	\$ 14,081,065
Investments	1,486,903	20,734,267	22,221,170
Taxes Receivable	1,173,545	-	1,173,545
Accounts Receivable, Net	304,875	2,643,982	2,948,857
Inventories	-	405,030	405,030
Prepays	122,976	113,334	236,310
Real Estate Taxes Receivable, Net	1,600,383	-	1,600,383
Total Current Assets	<u>15,908,019</u>	<u>26,758,341</u>	<u>42,666,360</u>
<b>NON-CURRENT ASSETS:</b>			
Capital Assets:			
Land and Construction in Progress	1,092,192	5,133,952	6,226,144
Other Capital Assets, Net of Accumulated Depreciation	16,912,598	38,761,701	55,674,299
Total Non-Current Assets	<u>18,004,790</u>	<u>43,895,653</u>	<u>61,900,443</u>
Total Assets	<u>33,912,809</u>	<u>70,653,994</u>	<u>104,566,803</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Related to Pensions	3,691,857	2,890,968	6,582,825
Related Other Post-Employment Benefits	118,949	55,988	174,937
	<u>3,810,806</u>	<u>2,946,956</u>	<u>6,757,762</u>
<u>LIABILITIES AND DEFERRED INFLOW OF RESOURCES</u>			
<b>CURRENT LIABILITIES:</b>			
Accounts Payable	546,319	1,036,256	1,582,575
Wages and Benefits Payable	53,557	51,800	105,357
Consumer Deposits	-	234,396	234,396
Total Current Liabilities	<u>599,876</u>	<u>1,322,452</u>	<u>1,922,328</u>
<b>NON-CURRENT LIABILITIES:</b>			
Other Post-Employment Benefit Obligation	749,215	352,651	1,101,866
Compensated Absences	468,872	625,025	1,093,897
Net Pension Liability	5,874,485	972,410	6,846,895
Total Non-Current Liabilities	<u>7,092,572</u>	<u>1,950,086</u>	<u>9,042,658</u>
Total Liabilities	<u>7,692,448</u>	<u>3,272,538</u>	<u>10,964,986</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Related to Pensions	1,285,666	1,574,898	2,860,564
Related to Other Post Employment Benefits	381,286	179,469	560,755
Unavailable Revenue - Property Taxes	1,600,383	-	1,600,383
Deferred Grant Revenue	-	1,439,504	1,439,504
Total Deferred Inflows of Resources	<u>3,267,335</u>	<u>3,193,871</u>	<u>6,461,206</u>
<u>NET POSITION</u>			
<b>NET POSITION:</b>			
Net Investment in Capital Assets	18,004,790	43,895,653	61,900,443
Restricted Net Position	2,684,301	-	2,684,301
Unrestricted Net Position	6,074,741	23,238,888	29,313,629
Total Net Position	<u>\$ 26,763,832</u>	<u>\$ 67,134,541</u>	<u>\$ 93,898,373</u>

See notes to financial statements.

CITY OF WATERLOO, ILLINOIS  
STATEMENT OF ACTIVITIES  
YEAR ENDED APRIL 30, 2023

FUNCTION/PROGRAMS:	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
General Government	\$ 1,424,338	\$ 964,486	\$ 38,407	\$ -	\$ (421,445)	\$ -	\$ (421,445)
Public Safety	4,075,982	36,525	-	-	(4,039,457)	-	(4,039,457)
Highways and Streets	3,264,189	-	-	458,251	(2,805,938)	-	(2,805,938)
Sanitation	897,322	914,306	-	-	16,984	-	16,984
Health	50	-	-	-	(50)	-	(50)
Culture and Recreation	975,599	-	-	-	(975,599)	-	(975,599)
Total Governmental Activities	<u>10,637,480</u>	<u>1,915,317</u>	<u>38,407</u>	<u>458,251</u>	<u>(8,225,505)</u>	<u>-</u>	<u>(8,225,505)</u>
BUSINESS-TYPE ACTIVITIES:							
Electric Fund	11,519,694	11,822,930	-	-	-	303,236	303,236
Gas Fund	3,796,782	3,614,430	-	-	-	(182,352)	(182,352)
Water Fund	2,544,048	3,022,497	-	-	-	478,449	478,449
Sewer Fund	1,850,082	2,157,471	-	-	-	307,389	307,389
Total Business-Type Activities	<u>19,710,606</u>	<u>20,617,328</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>906,722</u>	<u>906,722</u>
Totals	<u>\$ 30,348,086</u>	<u>\$ 22,532,645</u>	<u>\$ 38,407</u>	<u>\$ 458,251</u>	<u>(8,225,505)</u>	<u>906,722</u>	<u>(7,318,783)</u>
GENERAL REVENUES:							
Taxes - Real Estate					1,538,910	-	1,538,910
Intergovernmental					6,396,749	-	6,396,749
Utility Taxes					764,748	-	764,748
Licenses and Permits					264,640	-	264,640
Miscellaneous					249,873	125	249,998
Interest Income					351,027	22,927	373,954
Investment Income					11,720	204,742	216,462
Total General Revenues					<u>9,577,667</u>	<u>227,794</u>	<u>9,805,461</u>
Change in Net Position					1,352,162	1,134,516	2,486,678
Net Position, Beginning of Year					<u>25,411,670</u>	<u>66,000,025</u>	<u>91,411,695</u>
Net Position, End of Year					<u>\$ 26,763,832</u>	<u>\$ 67,134,541</u>	<u>\$ 93,898,373</u>

See notes to financial statements.

CITY OF WATERLOO, ILLINOIS  
BALANCE SHEET - GOVERNMENTAL FUNDS  
APRIL 30, 2023

<u>ASSETS</u>	<u>GENERAL</u>	<u>LIBRARY</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL</u>
Cash and Cash Equivalents	\$ 8,823,413	\$ 928,783	\$ 1,467,141	\$ 11,219,337
Investments	1,486,903	-	-	1,486,903
Taxes Receivable	1,134,418	-	39,127	1,173,545
Accounts Receivable, Net	304,875	-	-	304,875
Due from Other Funds	14,803	-	-	14,803
Prepays	122,976	-	-	122,976
Real Estate Taxes Receivable, Net	<u>1,030,878</u>	<u>539,519</u>	<u>29,986</u>	<u>1,600,383</u>
 Total Assets	 <u>\$ 12,918,266</u>	 <u>\$ 1,468,302</u>	 <u>\$ 1,536,254</u>	 <u>\$ 15,922,822</u>
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</u>				
LIABILITIES:				
Accounts Payable	\$ 531,510	\$ 14,809	\$ -	\$ 546,319
Due to Other Funds	-	-	14,803	14,803
Wage and Benefits Payable	<u>53,557</u>	<u>-</u>	<u>-</u>	<u>53,557</u>
 Total Liabilities	 <u>585,067</u>	 <u>14,809</u>	 <u>14,803</u>	 <u>614,679</u>
DEFERRED INFLOWS OF RESOURCES:				
Unavailable Revenue - Property Taxes	<u>1,030,878</u>	<u>539,519</u>	<u>29,986</u>	<u>1,600,383</u>
 Total Deferred Inflows of Resources	 <u>1,030,878</u>	 <u>539,519</u>	 <u>29,986</u>	 <u>1,600,383</u>
FUND BALANCE:				
Nonspendable:				
Prepays	122,976	-	-	122,976
Restricted for:				
Hotel/Motel Tax	155,886	-	-	155,886
Culture and Recreation	-	913,974	31,887	945,861
Motor Fuel Tax	-	-	1,459,578	1,459,578
Committed for:				
IMRF Pension Plan	454,045	-	-	454,045
Capital Improvements	2,093,289	-	-	2,093,289
Unassigned:				
General Fund	<u>8,476,125</u>	<u>-</u>	<u>-</u>	<u>8,476,125</u>
 Total Fund Balance	 <u>11,302,321</u>	 <u>913,974</u>	 <u>1,491,465</u>	 <u>13,707,760</u>
 Total Liabilities, Deferred Inflows of Resources and Fund Balance	 <u>\$ 12,918,266</u>	 <u>\$ 1,468,302</u>	 <u>\$ 1,536,254</u>	 <u>\$ 15,922,822</u>

See notes to financial statements.

CITY OF WATERLOO, ILLINOIS  
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
APRIL 30, 2023

Total fund balance - total governmental funds	\$ 13,707,760
Capital assets of \$49,247,481 net of accumulated depreciation of \$31,242,691, are not financial resources and, therefore are not reported in the funds	18,004,790
Certain liabilities are not due and payable in the current period and therefore not reported in the funds:	
Other post-employment benefit obligations (net of deferred outflows of resources)	(1,011,552)
Compensated absences	(468,872)
Net pension liability (net of deferred outflows and inflows of resources)	<u>(3,468,294)</u>
Net position of governmental activities	<u>\$ 26,763,832</u>

See notes to financial statements.

CITY OF WATERLOO, ILLINOIS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
GOVERNMENTAL FUNDS  
YEAR ENDED APRIL 30, 2023

	GENERAL	LIBRARY	OTHER GOVERNMENTAL FUNDS	TOTAL
<b>REVENUES:</b>				
Taxes - Real Estate	\$ 1,010,919	\$ 500,246	\$ 27,745	\$ 1,538,910
Intergovernmental	5,723,126	106,528	567,095	6,396,749
Utility Taxes	764,748	-	-	764,748
Charges for Services	1,878,792	-	-	1,878,792
Licenses and Permits	264,640	-	-	264,640
Fines	36,525	-	-	36,525
Grants	22,163	16,244	-	38,407
Miscellaneous	183,463	62,760	3,650	249,873
Interest	293,266	1,031	56,730	351,027
Investment Income	11,720	-	-	11,720
Total Revenues	<u>10,189,362</u>	<u>686,809</u>	<u>655,220</u>	<u>11,531,391</u>
<b>EXPENDITURES:</b>				
Current				
General Government	1,289,416	-	-	1,289,416
Public Safety	3,478,540	-	-	3,478,540
Highways and Streets	1,419,077	-	324,405	1,743,482
Sanitation	897,322	-	-	897,322
Health	50	-	-	50
Culture and Recreation	289,989	591,232	33,689	914,910
Capital Outlay	2,468,670	20,892	716,640	3,206,202
Total Expenditures	<u>9,843,064</u>	<u>612,124</u>	<u>1,074,734</u>	<u>11,529,922</u>
Net Change in Fund Balance	346,298	74,685	(419,514)	1,469
Fund Balance, Beginning of Year	<u>10,956,023</u>	<u>839,289</u>	<u>1,910,979</u>	<u>13,706,291</u>
Fund Balance, End of Year	<u>\$ 11,302,321</u>	<u>\$ 913,974</u>	<u>\$ 1,491,465</u>	<u>\$ 13,707,760</u>

See notes to financial statements.

CITY OF WATERLOO, ILLINOIS  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED APRIL 30, 2023

Net change in fund balance - total governmental funds	\$ 1,469
Governmental funds report capital outlays as expenditures. However in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay \$3,206,202 exceeded depreciation \$1,782,892 in the current period.	1,423,310
Capital contributions to infrastructure are not reported is not a current resource and is not included in the net change in fund balance	458,251
Changes in other postemployment benefit obligations and related deferrals reported in the statement of activities do not require the use of current financial resources, and, therefore, are not reported as expenditures in governmental funds.	(24,805)
Changes in compensated absences reported in the statement of activities do not require the use of current financial resources, and, therefore, are not reported as expenditures in governmental funds.	(25,878)
Changes in the net pension liability and related deferrals reported in the statement of activities do not require the net of current financial resources, and, therefore, are not reported as expenditures in governmental funds.	<u>(480,185)</u>
Change in net position of governmental activities	<u>\$ 1,352,162</u>

See notes to financial statements.



CITY OF WATERLOO, ILLINOIS  
STATEMENT OF NET POSITION - PROPRIETARY FUNDS  
APRIL 30, 2023

<u>ASSETS</u>	ENTERPRISE FUNDS					<u>TOTAL</u>
	<u>ELECTRIC</u>	<u>GAS</u>	<u>WATER</u>	<u>SEWER</u>	<u>UTILITY DEPOSITS</u>	
<b>CURRENT ASSETS:</b>						
Cash and Cash Equivalents	\$ 901,631	\$ 603,129	\$ 855,372	\$ 466,305	\$ 35,291	\$ 2,861,728
Investments	12,657,849	4,055,413	2,148,224	1,555,415	317,366	20,734,267
Accounts Receivable, Net	1,326,722	486,815	530,489	299,956	-	2,643,982
Inventories	300,000	29,000	48,830	27,200	-	405,030
Prepays	79,601	9,540	7,765	16,428	-	113,334
Total Current Assets	<u>15,265,803</u>	<u>5,183,897</u>	<u>3,590,680</u>	<u>2,365,304</u>	<u>352,657</u>	<u>26,758,341</u>
<b>NON-CURRENT ASSETS:</b>						
Capital Assets, Net	<u>18,864,632</u>	<u>4,897,872</u>	<u>8,564,715</u>	<u>11,568,434</u>	<u>-</u>	<u>43,895,653</u>
Total Non-Current Assets	<u>18,864,632</u>	<u>4,897,872</u>	<u>8,564,715</u>	<u>11,568,434</u>	<u>-</u>	<u>43,895,653</u>
Total Assets	<u>34,130,435</u>	<u>10,081,769</u>	<u>12,155,395</u>	<u>13,933,738</u>	<u>352,657</u>	<u>70,653,994</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>						
Related to Pensions	1,392,051	646,864	367,856	484,197	-	2,890,968
Related to Other Post Employment Benefits	29,719	12,309	6,649	7,311	-	55,988
Total Deferred Outflows of Resources	<u>1,421,770</u>	<u>659,173</u>	<u>374,505</u>	<u>491,508</u>	<u>-</u>	<u>2,946,956</u>
<b>LIABILITIES</b>						
<b>CURRENT LIABILITIES:</b>						
Accounts Payable	555,342	96,528	342,675	41,711	-	1,036,256
Wages and Benefits Payable	22,728	13,985	6,757	8,330	-	51,800
Consumer Deposits	31,471	-	-	-	202,925	234,396
Total Current Liabilities	<u>609,541</u>	<u>110,513</u>	<u>349,432</u>	<u>50,041</u>	<u>202,925</u>	<u>1,322,452</u>
<b>NON-CURRENT LIABILITIES:</b>						
Net Pension Liability	468,498	217,082	123,815	163,015	-	972,410
Other Post-Employment Benefit Obligation	187,191	77,529	41,882	46,049	-	352,651
Compensated Absences	216,190	158,386	102,250	148,199	-	625,025
Total Non-Current Liabilities	<u>871,879</u>	<u>452,997</u>	<u>267,947</u>	<u>357,263</u>	<u>-</u>	<u>1,950,086</u>
Total Liabilities	<u>1,481,420</u>	<u>563,510</u>	<u>617,379</u>	<u>407,304</u>	<u>202,925</u>	<u>3,272,538</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>						
Related to Pensions	758,771	351,583	200,529	264,015	-	1,574,898
Related to Other Post Employment Benefits	95,264	39,456	21,314	23,435	-	179,469
Deferred Grant Revenue	-	-	1,439,504	-	-	1,439,504
	<u>854,035</u>	<u>391,039</u>	<u>1,661,347</u>	<u>287,450</u>	<u>-</u>	<u>3,193,871</u>
<b>NET POSITION</b>						
<b>NET POSITION:</b>						
Net Investment in Capital Assets	18,864,632	4,897,872	8,564,715	11,568,434	-	43,895,653
Unrestricted Net Position	<u>14,352,118</u>	<u>4,888,521</u>	<u>1,686,459</u>	<u>2,162,058</u>	<u>149,732</u>	<u>23,238,888</u>
Total Net Position	<u>\$ 33,216,750</u>	<u>\$ 9,786,393</u>	<u>\$ 10,251,174</u>	<u>\$ 13,730,492</u>	<u>\$ 149,732</u>	<u>\$ 67,134,541</u>

See notes to financial statements.

CITY OF WATERLOO, ILLINOIS  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION - PROPRIETARY FUNDS  
YEAR ENDED APRIL 30, 2023

	ENTERPRISE FUNDS					TOTAL
	ELECTRIC	GAS	WATER	SEWER	UTILITY DEPOSITS	
<b>OPERATING REVENUES:</b>						
Charges for Services	\$ 10,969,148	\$ 3,539,125	\$ 2,971,972	\$ 2,015,315	\$ -	\$ 19,495,560
Connection Fees	54,028	34,815	38,955	129,998	-	257,796
IMEA Credits	691,981	-	-	-	-	691,981
Subdivision Reinvestments	83,301	30,705	-	-	-	114,006
Total Operating Revenues	<u>11,798,458</u>	<u>3,604,645</u>	<u>3,010,927</u>	<u>2,145,313</u>	<u>-</u>	<u>20,559,343</u>
<b>OPERATING EXPENSES:</b>						
Cost of Sales	8,161,546	2,297,015	1,411,934	-	-	11,870,495
Distribution	1,577,645	790,843	442,617	-	-	2,811,105
Treatment	-	-	-	729,711	-	729,711
Collection	-	-	-	231,743	-	231,743
Administration	938,235	480,359	433,596	431,254	-	2,283,444
Depreciation	842,268	228,565	255,901	457,374	-	1,784,108
Total Operating Expenses	<u>11,519,694</u>	<u>3,796,782</u>	<u>2,544,048</u>	<u>1,850,082</u>	<u>-</u>	<u>19,710,606</u>
Operating Income	<u>278,764</u>	<u>(192,137)</u>	<u>466,879</u>	<u>295,231</u>	<u>-</u>	<u>848,737</u>
<b>NON-OPERATING REVENUES (EXPENSES):</b>						
Interest Income	7,233	2,686	8,492	4,294	222	22,927
Investment Income	131,038	46,148	11,445	12,500	3,611	204,742
Interest Expense and Other Charges	-	-	-	-	-	-
Other Income	24,472	9,785	11,570	12,158	125	58,110
Total Non-Operating Revenues (Expenses)	<u>162,743</u>	<u>58,619</u>	<u>31,507</u>	<u>28,952</u>	<u>3,958</u>	<u>285,779</u>
Increase in Net Position	441,507	(133,518)	498,386	324,183	3,958	1,134,516
Total Net Position, Beginning of Year	<u>32,775,243</u>	<u>9,919,911</u>	<u>9,752,788</u>	<u>13,406,309</u>	<u>145,774</u>	<u>66,000,025</u>
Total Net Position, End of Year	<u>\$ 33,216,750</u>	<u>\$ 9,786,393</u>	<u>\$ 10,251,174</u>	<u>\$ 13,730,492</u>	<u>\$ 149,732</u>	<u>\$ 67,134,541</u>

See notes to financial statements.

CITY OF WATERLOO, ILLINOIS  
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS  
YEAR ENDED APRIL 30, 2023

	ENTERPRISE FUNDS					TOTAL
	ELECTRIC	GAS	WATER	SEWER	UTILITY DEPOSITS	
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>						
Cash Received from Customers	\$ 11,820,479	\$ 3,631,372	\$ 2,857,222	\$ 2,119,555	\$ 97,750	\$ 20,526,378
Cash Paid Out to Customers	-	-	-	-	(99,400)	(99,400)
Cash Payments to Suppliers for Goods and Services	(9,335,558)	(2,994,615)	(1,652,860)	(866,104)	-	(14,849,137)
Cash Payments to Employees and Professional Contractors for Services	313	-	-	-	-	313
	<u>(1,232,283)</u>	<u>(647,756)</u>	<u>(379,589)</u>	<u>(508,284)</u>	<u>-</u>	<u>(2,767,912)</u>
Net Cash Flows Provided (Used) by Operating Activities	<u>1,252,951</u>	<u>(10,999)</u>	<u>824,773</u>	<u>745,167</u>	<u>(1,650)</u>	<u>2,810,242</u>
<b>CASH FLOWS FROM NON-CAPITAL RELATED FINANCING ACTIVITIES:</b>						
Transfer of Funds - Grant Proceeds	-	-	719,752	-	-	719,752
Other Income	24,472	9,785	11,570	12,158	125	58,110
Net Cash Flows Provided by Non-Capital Related Financing Activities	<u>24,472</u>	<u>9,785</u>	<u>731,322</u>	<u>12,158</u>	<u>125</u>	<u>777,862</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>						
Acquisition and Construction of Capital Assets	<u>(444,976)</u>	<u>(259,482)</u>	<u>(323,060)</u>	<u>(400,314)</u>	<u>-</u>	<u>(1,427,832)</u>
Net Cash Flows (Used) by Capital and Related Financing Activities	<u>(444,976)</u>	<u>(259,482)</u>	<u>(323,060)</u>	<u>(400,314)</u>	<u>-</u>	<u>(1,427,832)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>						
Sale/(Purchase) of Investments	(1,381,039)	(46,148)	(1,261,446)	(512,500)	(3,611)	(3,204,744)
Investment Income (Loss)	138,271	48,834	19,937	16,794	3,833	227,669
Net Cash Flows Provided (Used) by Investing Activities	<u>(1,242,768)</u>	<u>2,686</u>	<u>(1,241,509)</u>	<u>(495,706)</u>	<u>222</u>	<u>(2,977,075)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(410,321)	(258,010)	(8,474)	(138,695)	(1,303)	(816,803)
Cash and Cash Equivalents at May 1, 2022	<u>1,311,952</u>	<u>861,139</u>	<u>863,846</u>	<u>605,000</u>	<u>36,594</u>	<u>3,678,531</u>
Cash and Cash Equivalents at April 30, 2023	<u>\$ 901,631</u>	<u>\$ 603,129</u>	<u>\$ 855,372</u>	<u>\$ 466,305</u>	<u>\$ 35,291</u>	<u>\$ 2,861,728</u>

See notes to financial statements.

CITY OF WATERLOO, ILLINOIS  
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS  
YEAR ENDED APRIL 30, 2023

	ENTERPRISE FUNDS					TOTAL
	ELECTRIC	GAS	WATER	SEWER	UTILITY DEPOSITS	
Operating Income	\$ 278,764	\$ (192,137)	\$ 466,879	\$ 295,231	\$ -	\$ 848,737
Adjustment to Reconcile Operating Income to Net Cash Provided by Operating Activities:						
Depreciation	842,268	228,565	255,901	457,374	-	1,784,108
Changes in Assets and Liabilities:						
(Increase) Decrease in Accounts Receivable	35,634	26,727	(153,705)	(25,758)	-	(117,102)
(Increase) Decrease in Prepaid Insurance	4,006	1,187	1,433	3,245	-	9,871
(Increase) Decrease in Net Pension Asset	1,050,009	494,565	306,279	384,731	-	2,235,584
(Increase) Decrease in Deferred Outflow of Resources	(1,116,927)	(511,555)	(289,369)	(383,343)	-	(2,301,194)
Increase (Decrease) in Accounts Payable	(15,109)	(71,941)	215,342	(3,043)	-	125,249
Increase (Decrease) in Wages and Benefits Payable	37	2,686	706	(456)	-	2,973
Increase (Decrease) in Other Post-Employment Benefit Obligation	13,622	(41,630)	13,036	5	-	(14,967)
Increase (Decrease) in Compensated Absences	(5,165)	(4,032)	(11,426)	(20,422)	-	(41,045)
Increase (Decrease) in Net Pension Liability	468,498	217,082	123,815	163,015	-	972,410
Increase (Decrease) in Deferred Inflow of Resources	(289,386)	(160,516)	(104,118)	(125,412)	-	(679,432)
Increase (Decrease) in Consumer Deposits	(13,300)	-	-	-	(1,650)	(14,950)
Total Adjustments	<u>974,187</u>	<u>181,138</u>	<u>357,894</u>	<u>449,936</u>	<u>(1,650)</u>	<u>1,961,505</u>
Net Cash Provided by Operating Activities	<u>\$ 1,252,951</u>	<u>\$ (10,999)</u>	<u>\$ 824,773</u>	<u>\$ 745,167</u>	<u>\$ (1,650)</u>	<u>\$ 2,810,242</u>

See notes to financial statements.

CITY OF WATERLOO, ILLINOIS  
STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUND  
POLICE PENSION PLAN  
APRIL 30, 2023

	<u>EMPLOYEE RETIREMENT PLAN</u>
<u>ASSETS</u>	
Cash and Cash Equivalents	\$ 140,406
RECEIVABLES:	
Employer	<u>717,733</u>
Total Receivables	717,733
Investments	<u>7,588,023</u>
Total Assets	<u>8,446,162</u>
<u>LIABILITIES</u>	
Accounts Payable	<u>-</u>
Total Liabilities	<u>-</u>
<u>NET POSITION</u>	
Held in Trust for Pension Benefits	<u>\$ 8,446,162</u>

A schedule of funding progress presented for the Police Pension Plan is presented in the Required Supplementary Information Section of this report.

See notes to financial statements.

CITY OF WATERLOO, ILLINOIS  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
POLICE PENSION PLAN  
YEAR ENDED APRIL 30, 2023

	<u>EMPLOYEE RETIREMENT PLAN</u>
ADDITIONS:	
Contributions:	
Employer	\$ 690,000
Plan Members	146,078
Total Contributions	<u>836,078</u>
Investment Income:	
Income on pool	703,767
Interest	37,111
Dividend	31,676
Gain (Loss) on Investments	(153,440)
Unrealized Appreciation (Depreciation)	<u>(527,193)</u>
Net Investment Income	<u>91,921</u>
Total Additions	<u>927,999</u>
DEDUCTIONS:	
Retirement Benefits	471,146
Portability	481
Administrative Expense	30,316
Total Deductions	<u>501,943</u>
Change in Net Position	426,056
Net Position, Beginning of Year	<u>8,020,106</u>
Net Position, End of Year	<u>\$ 8,446,162</u>

See notes to financial statements.

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Management, in determining what potential component entities should be included for financial reporting purposes, considered accountability for fiscal matters, other manifestations of oversight responsibility, scope of public service, and special financing relationships. Fiscal accountability, the most significant of all the criteria, refers to conditions of financial interdependency between two entities including budgetary adoption, taxing authority, responsibility for debt, and control over or responsibility for financial management. Other manifestations of oversight responsibility encompass the ability to select governing authority, designate management, or significantly influence operations. The scope of public service evaluates the benefits derived in terms of the citizenry served or the geographic boundaries included.

Based upon these criteria, the City does not have any component units.

A. Introduction

The accounting and reporting framework and the more significant accounting principles and practices of the City of Waterloo, Illinois (City) are discussed in subsequent sections of this note. The remainder of the notes are organized to provide explanations, including required disclosures of the City's financial activities for the fiscal year ended April 30, 2023.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Government activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or identifiable activity are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or identifiable activity. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or identifiable activity and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or identifiable activity. Taxes and other items not included among program revenues are reported instead as general revenues.

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements, with composite columns for non-major funds.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accounting and reporting policies of the City relating to the funds included in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants in the publication entitled Audits of State and Local Governmental Units and by the Financial Accounting Standards Board (when applicable). The more significant accounting policies of the City are described below.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and the fiduciary fund financial statements. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Government fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 90 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, pensions and OPEB, and claims and judgments, are reported only when payment is due.

Sales and use taxes, income taxes, other intergovernmental revenue, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of the special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.



CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds and internal service funds are charges to customers for sales and services provided. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expense.

Governmental Funds

The City reports the following major governmental funds:

**General Fund** - The general fund reports on the primary fund of the City. This fund is used to account for all financial resources not reported in other funds.

**Library Fund** - The library fund account for the operating activities of the City's Library.

Proprietary Funds

The City reports the following major enterprise funds:

**Electric Fund** - The Electric fund accounts for the operating activities of the City's electric utilities services.

**Gas Fund** - The Gas fund accounts for the operating activities of the City's gas utilities services.

**Water Fund** - The Water fund accounts for the operating activities of the City's water utilities services.

**Sewer Fund** - The Sewer fund accounts for the operating activities of the City's sewer utilities services.

**Utility Deposits** - The utility deposits fund accounts for the utility deposits of the City's enterprise funds.

Other Fund Types

**Pension Trust Fund** - The pension trust fund reports fiduciary resources held in trust and the receipt, investment, and distribution of retirement contributions. The City's pension trust fund is limited to police officers.

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Allocation of Indirect Expenses

The City allocates, from its governmental funds, indirect expenses primarily comprised of central governmental services to operating functions and programs benefiting from those services. Central services include overall City management, centralized budgetary formulation and oversight, accounting, financial reporting, payroll, procurement contracting and oversight, investing and cash management, personnel services, and other administrative services. Allocations are charged to programs based on use of central services determined by various allocation methodologies. As a matter of policy, certain functions that use significant central services are not charged for the use of these services. These functions include police, street, and library.

Administrative Expenses

The City's general fund also charges an administrative fee to the City's proprietary funds in an amount equal to approximately five percent (5%) of the proprietary fund's gross receipts.

D. Cash and Investments

The City maintains and controls pooled and nonpooled cash and investments that are separately held and reflected in their respective funds as "Cash and cash equivalents" and "Investments".

The City has adopted a formal written investment and cash management policy. The City is restricted to investments outlined in the Public Funds Investment Act of the State of Illinois and Police Pension Fund in 40 ILCS 5/3-135.

The City considers highly liquid investments (including restricted assets) with an original maturity of three months or less when purchased to be cash equivalents.

Investments are reported at fair value, except for investments with Illinois Metropolitan Investment Fund (IMET). Fair value is determined by closing market prices at year-end as reported by the investment custodian. Investments with IMET are reported at net asset value per share which approximates fair value.

E. Inventories and Prepays

Inventories in governmental funds consist of expendable supplies held for consumption stated on a first-in, first-out basis. They are reported at cost which is recorded as an expenditure at the time individual inventory items are used. Proprietary fund inventories are recorded at the lower of cost or market on a first-in, first-out basis.

Prepays record payments to vendors that benefit future reporting periods and are also reported on the consumption basis. Both inventories and prepays are similarly reported in government-wide and fund financial statements.

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

F. Capital Assets, Depreciation and Amortization

The City's property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items acquired after June 30, 1980), with useful lives of more than one year are stated at historical cost and comprehensively reported in the government-wide financial statements. The City generally capitalizes building and infrastructure assets with a cost of \$25,000 or more as purchase and construction outlays occur. Furniture, fixtures and equipment are generally capitalized with a cost of \$5,000 or more. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations.

Estimated useful lives, in years, for depreciable assets are as follows:

Buildings	40
Improvements, other than buildings	15-25
Furniture, fixtures, and equipment	5-10

For more information describing capital assets, see Note 5.

G. Capitalized Interest

Interest costs are capitalized when incurred by proprietary funds on debt where proceeds were used to finance the construction of assets. Interest earned on proceeds of tax-exempt borrowing arrangements restricted to the acquisition of qualifying assets is offset against interest costs in determining the amount to be capitalized. There were no funds affected in the year ended April 30, 2023.

H. Long-Term Debt and Bond Discounts/Premiums

In the government-wide and proprietary funds, outstanding debt is reported as liabilities. Bond discounts or premiums and the difference between the reacquisition price and the net carrying value of refunded debt are capitalized and amortized over the terms of the respective bonds using a method that approximates the effective interest method.

The governmental fund financial statements recognize the proceeds of debt and premiums as other financing sources of the current period. Issuance costs are reported as expenditures.

I. Fund Equity

Beginning with fiscal year 2012, the City implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

balances more transparent. The following classifications describe the relative strength of the spending constraints:

- ° Nonspendable fund balance - amounts that are not in spendable form (such as inventory) or are required to be maintained intact.
- ° Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- ° Committed fund balance - amounts constrained to specific purposes by the City itself, using its highest level of decision-making authority (i.e., City Council). To be reported as committed, amounts cannot be used for any other purpose unless the City takes the same highest level action to remove the constraint.
- ° Assigned fund balance - amounts the City intends to use for a specific purpose. Intent can be expressed by the City Council or by an official or body to which the City Council delegates the authority.
- ° Unassigned fund balance - amounts that are available for any purpose. Positive amounts are reported only in the general fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless City Council or the finance committee has provided otherwise in its commitment or assignment actions.

J. Net Position

Net positions represent the difference between assets and liabilities and deferred outflow / inflows of resources on the government-wide financial statements. Net positions are classified in the following categories:

1. Net investment in capital assets - This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that is attributed to the acquisition, construction, or improvement of the assets.
2. Restricted net position - This amount is restricted by creditors, grantors, contributors, or laws or regulations of other governments.

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3. Unrestricted net position - This is the net position that does not meet the definition of "net investment in capital assets" or "restricted net position".

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

K. Compensated Absences

Full-time, permanent employees are granted vacation benefits in varying amounts to specified maximums depending on tenure with the City. Sick leave accrues for full-time, permanent employees to specified maximums. Generally, after one year of service, employees are entitled to all accrued vacation leave upon termination. Retirees are entitled to a percentage of their sick leave.

Police officers are not entitled to their proportionate sick leave balance until they retire or become disabled. However, these employees historically remain with the City until retirement. Selected management employees are entitled to all accrued sick and vacation leave balances at termination. The estimated liabilities include required salary-related payments. Compensated absences are reported as accrued in the government-wide and proprietary fund financial statements. Governmental funds report only matured compensated absences payable to currently terminating employees and are included in wages and benefits payable.

L. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles as they relate to governmental entities requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

M. Deferred Inflows/Outflows of Resources

In addition to assets, the statement of financial position includes a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position and balance sheet - governmental funds will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 2. DEPOSITS

Deposits

The City's deposits with local banks consist of the following at April 30, 2023:

	CARRYING AMOUNT	BANK VALUE
Governmental Activities:		
Cash and Cash Equivalents	\$ 11,219,337	\$ 11,835,730
Business-Type Activities:		
Cash and Cash Equivalents	2,861,728	3,305,859
Fiduciary Fund (Police Pension):		
Cash and Cash Equivalents	140,406	140,406
	\$ 14,221,471	\$ 15,281,995

*Custodial Credit Risk* - Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's investment policy requires collateral equal to 100 percent of the deposits which exceed the insurance limitation provided by the FDIC. The City's investment policy limits collateral to the following: U.S. government direct securities, obligations of federal agencies, obligations of federal instrumentalities, obligations of the State of Illinois, obligations of the City of Waterloo, letters of credit issued by a Federal Home Loan Bank, and acceptable collateral as identified in the Illinois Compiled Statutes for use by the Treasurer of the State of Illinois. The Police Pension Plan's investment policy requires collateral equal to 110 percent of the deposits which exceed the insurance limitation provided by the FDIC.

Of the bank balance at April 30, 2023, \$1,506,282 was covered by federal depository insurance, \$13,775,713 was covered by collateralized securities held by third-party institutions in the City's name, and \$118,118 was uncollateralized.

NOTE 3. INVESTMENTS

The City categorizes its fair value measurements within the fair values hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

All of the City's investments are based on Level 1 inputs.

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 3. INVESTMENTS (CONT'D)

The City's investments consist of the following at April 30, 2023:

	<u>FAIR VALUE</u>	<u>COST</u>
Governmental Activities:		
IMET 1-3 Year Fund	\$ 1,486,903	\$ 1,500,000
Business-type Activities:		
IMET 1-3 Year Fund	<u>20,734,267</u>	<u>18,550,000</u>
Total	<u>22,221,170</u>	<u>20,050,000</u>

The Illinois Metropolitan Investment Fund (IMET) is a quasi-intergovernmental entity created under the Intergovernmental Cooperation Act and the Illinois Municipal Code in 1996. IMET is managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. IMET issues a publicly available financial report, which may be obtained at <http://www.investimet.com>.

The 1-3 Year Fund is designed as an investment vehicle for public funds not required to be spent in the near term and are available for investment in securities with slightly longer average maturities. Although the 1-3 Year Fund is designed for funds that may be invested for a year or more, there is no minimum investment term and there are no early withdrawal/redemption fees or penalties for funds invested for less than one year.

The 1-3 Year Fund provides 5 day liquidity, participants are able to redeem investment shares with 5 business days notice to the IMET Operations desk. The 1-3 Year Fund has a fluctuating net asset value (NAV) and an average portfolio maturity of one to three years. IMET invests exclusively in U.S. government backed securities (Treasuries and Agencies).

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 3. INVESTMENTS (CONT'D)

The Police pension fund investments of \$7,588,023 consists solely of Illinois Police Officers' Pension Investment Fund.

*Credit Risk* - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations to the holder of the investment. The City's investment policy does not address credit risk.

*Custodial Credit Risk* - Custodial credit risk for investments is the risk that in the event of the failure of the counterparty to the investment, the City and Police Pension Plan will not be able to recover the value of its investment that is in possession of an outside party. The City's and Police Pension Plan's investment policies do not address custodial credit risk for investments.

*Concentration of Credit Risk* - Concentration of credit risk is the risk of loss attributed to the magnitude of the City's and Police Pension Plan's investment in a single issuer. The City's investment policy does not address concentration of credit risk. The City's investments were all invested in Illinois Metropolitan Investment Fund at April 30, 2023.

*Interest Rate Risk* - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City's and the Police Pension Plan's investment policies do not specifically limit investment maturities as a means of managing their exposure to fair value losses arising from increasing interest rates.

The Illinois Metropolitan Investment Fund 1-3 Year Series is designed as an investment vehicle for funds not required to be spent in the short-term and which are available for investment in securities with average maturities and returns generally greater than those for money market instruments.

The IMET 1-3 Year Series comprises investments in U.S. Treasury obligations, U.S. government agency and agency-backed securities, and asset and mortgage-backed securities made on behalf of its participants. The Fund also comprises cash and money market mutual funds. The fair values of the underlying investments are used to determine NAV per share of the IMET 1-3 Year Fund investment.



CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023.

NOTE 4. RECEIVABLES

Accounts receivable at April 30, 2023 consists of the following:

Garbage	\$ 146,237
Telecommunications Taxes	22,095
Video Gaming	46,964
Grant Reimbursement	3,476
Local Utility Taxes	86,103
Utility Bills	<u>2,643,982</u>
	<u>\$ 2,948,857</u>

There is no allowance for doubtful accounts as management expects utility deposits of \$202,925 sufficient to cover any uncollectible accounts receivable.

Taxes receivable of \$1,173,545 is comprised of sales, income, motor fuel tax and other intergovernmental revenue.

Real estate taxes are collected one year in arrears. Although levied in 2022 real estate taxes are collected subsequent to June 30, 2023. Accordingly, real estate taxes are reported as deferred revenue because they are not available to liquidate liabilities of the current period nor are they intended to do so.

Real estate taxes receivable are as follows:

Real Estate Taxes Receivable	\$ 1,604,394
Less Allowance for Uncollectible Accounts	<u>(4,011)</u>
Net Real Estate Taxes Receivable	<u>\$ 1,600,383</u>

NOTE 5. CAPITAL ASSETS

Changes in Capital Assets:

The following table provides a summary of changes in capital assets:

	<u>CAPITAL ASSETS, NOT DEPRECIATED</u>		
	<u>LAND</u>	<u>CONSTRUCTION IN PROGRESS</u>	<u>TOTAL</u>
<b>Governmental Activities</b>			
Balance at May 1, 2022	\$ 1,030,586	\$ 1,536,453	\$ 2,567,039
Increase	-	2,593,978	2,593,978
Decrease	-	<u>4,068,825</u>	<u>4,068,825</u>
Balance at April 30, 2023	<u>\$ 1,030,586</u>	<u>\$ 61,606</u>	<u>\$ 1,092,192</u>

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 5. CAPITAL ASSETS (CONTD)

	CAPITAL ASSETS, DEPRECIATED			
	FURNITURE, MACHINERY AND			TOTAL
	BUILDINGS	INFRASTRUCTURE	EQUIPMENT	
Balance at May 1, 2022	\$ 5,657,436	\$ 30,496,687	\$ 6,861,866	\$ 43,015,989
Increases	-	4,527,076	612,224	5,139,300
Decreases	-	-	-	-
Balance at April 30, 2023	<u>5,657,436</u>	<u>35,023,763</u>	<u>7,474,090</u>	<u>48,155,289</u>
Accumulated Depreciation				
Balance at May 1, 2022	3,018,218	20,561,508	5,880,073	29,459,799
Increases	136,465	1,313,042	333,385	1,782,892
Decreases	-	-	-	-
Balance at April 30, 2023	<u>3,154,683</u>	<u>21,874,550</u>	<u>6,213,458</u>	<u>31,242,691</u>
Governmental Activities, Net	<u>\$ 2,502,753</u>	<u>\$ 13,149,213</u>	<u>\$ 1,260,632</u>	<u>\$ 16,912,598</u>
	CAPITAL ASSETS, NOT DEPRECIATED			
	CONSTRUCTION			
	LAND	IN PROGRESS	TOTAL	
<b>Business-Type Activities</b>				
Balance at May 1, 2022	\$ 3,394,267	\$ 1,439,170	\$ 4,833,437	
Increases	-	465,879	465,879	
Decreases	-	165,364	165,364	
Balance at April 30, 2023	<u>\$ 3,394,267</u>	<u>\$ 1,739,685</u>	<u>\$ 5,133,952</u>	
	CAPITAL ASSETS, DEPRECIATED			
	FURNITURE, MACHINERY AND			TOTAL
	BUILDINGS	INFRASTRUCTURE	EQUIPMENT	
Balance at May 1, 2022	\$ 1,535,533	\$ 63,203,003	\$ 9,999,940	\$ 74,738,476
Increases	-	334,496	792,821	1,127,317
Decreases	-	-	-	-
Balance at April 30, 2023 (Carried Forward)	<u>\$ 1,535,533</u>	<u>\$ 63,537,499</u>	<u>\$ 10,792,761</u>	<u>\$ 75,865,793</u>

CITY OF WATERLOO, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 APRIL 30, 2023

NOTE 5. CAPITAL ASSETS (CONT'D)

	CAPITAL ASSETS, DEPRECIATED			
	BUILDINGS	INFRASTRUCTURE	FURNITURE, MACHINERY AND EQUIPMENT	TOTAL
Balance at April 30, 2023 (Brought Forward)	\$ 1,535,533	\$ 63,537,499	\$ 10,792,761	\$ 75,865,793
Accumulated Depreciation				
Balance at May 1, 2022	548,135	28,889,656	5,882,193	35,319,984
Increases	38,388	1,344,972	400,748	1,784,108
Decreases	-	-	-	-
Balance at April 30, 2023	586,523	30,234,628	6,282,941	37,104,092
Net Business-Type Capital Assets Depreciated	<u>\$ 949,010</u>	<u>\$ 33,302,871</u>	<u>\$ 4,509,820</u>	<u>\$ 38,761,701</u>
Governmental Activities:				
General Government			\$ 86,535	
Public Safety			158,369	
Highway and Streets			1,475,511	
Culture and Recreation			62,477	
			<u>\$ 1,782,892</u>	
Business-Type Activities:				
Electric Fund			\$ 842,268	
Gas Fund			228,565	
Water Fund			255,901	
Sewer Fund			457,374	
			<u>\$ 1,784,108</u>	

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 6. LONG-TERM LIABILITIES

A. Changes in Long-Term Debt:

The following is a summary of changes in long-term debt for the year ended April 30, 2023:

Governmental Activities

	BALANCE MAY 1, 2022	INCREASE	DECREASE	BALANCE APRIL 30, 2023
Compensated Absences	\$ 442,994	\$ 25,878	\$ -	\$ 468,872
Net Pension Liability	<u>3,845,728</u>	<u>2,028,757</u>	<u>-</u>	<u>5,874,485</u>
Total Governmental Long-Term Liabilities	<u>4,288,722</u>	<u>2,054,635</u>	<u>-</u>	<u>6,343,357</u>

Business-Type Activities

Compensated Absences	666,070	-	41,045	625,025
Net Pension Liability (asset)	<u>(2,235,584)</u>	<u>3,207,994</u>	<u>-</u>	<u>972,410</u>
Total Business Long-Term Liability	<u>\$ (1,569,514)</u>	<u>\$ 3,207,994</u>	<u>\$ 41,045</u>	<u>\$ 1,597,435</u>

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 6. LONG-TERM LIABILITIES (CONT'D)

B. Legal Debt Margin

At April 30, 2023, the legal debt margin of the City was as follows:

Assessed Valuation - 2022	<u>\$ 302,772,926</u>
Legal Debt Margin	<u>8.625%</u>
Debt Margin	\$ 26,114,165
Debt Outstanding	<u>-</u>
Legal Debt Margin	<u>\$ 26,114,165</u>

NOTE 7. DEFINED BENEFIT PENSION PLAN

Illinois Municipal Retirement Plan

*Plan Description.* The City's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The City's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at [www.imrf.org](http://www.imrf.org).

*Benefits Provided.* IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

All three IMRF benefit plans have two tiers. Employees hired before January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings.

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 7. DEFINED BENEFIT PENSION PLAN (CONT'D)

Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired *on or after* January 1, 2011, are eligible for Tier 2 benefits. For tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

- 3% of the original pension amount, or
- ½ of the increase in the Consumer Price Index of the original pension amount.

*Employees Covered by Benefit Terms* . At December 31, 2022, the following employees were covered by the Plan:

Active	47
Inactive employees or beneficiaries currently receiving benefits	72
Inactive employees entitled to but not yet receiving benefits	11
Total	130

*Contributions* . As set by statute, the City's regular plan members are required to contribute 4.5 percent of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar year 2022 was 8.10 percent. For the fiscal year ended April 30, 2023, the City contributed \$252,547 to the plan. The City also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

*Net Pension Liability* . The City's net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability in the December 31, 2022, actuarial valuation was determined using the following actuarial methods and assumption, applied to all periods included in the measurement:



CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 7. DEFINED BENEFIT PENSION PLAN (CONT'D)

ASSET CLASS	PORTFOLIO TARGET PERCENTAGE	LONG-TERM EXPECTED REAL RATE OF RETURN
Equities	35.50 %	6.50 %
International Equities	18.00	7.60
Fixed Income	25.50	4.90
Real Estate	10.50	6.20
Alternatives	9.50	
Private Entity		9.90
Hedge Funds		N/A
Commodities		6.25
Cash Equivalents	1.00	4.00
	100.00 %	

*Single Discount Rate*. A Single Discount Rate of 7.25% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 2.00%, and the resulting single discount rate is 7.25%.



CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 7. DEFINED BENEFIT PENSION PLAN (CONT'D)

*Changes in the City's Net Pension Liability.* Changes in the City's net pension liability for the year ended December 31, 2022, were as follows:

	TOTAL PENSION LIABILITY	PLAN FIDUCIARY NET POSITION	NET PENSION LIABILITY (ASSET)
Balance, December 31, 2021	<u>\$ 21,391,686</u>	<u>\$ 24,529,788</u>	<u>\$ (3,138,102)</u>
Changes for the Year:			
Service Cost	341,760	-	341,760
Interest	1,525,626	-	1,525,626
Difference Between Expected and Actual Experience	(49,344)	-	(49,344)
Changes in Assumptions	-	-	-
Contributions-Employees	-	166,302	(166,302)
Contributions-Employer	-	297,301	(297,301)
Net Investment Income	-	(3,001,411)	3,001,411
Benefit Payments Including Refunds of Employee Contributions	(1,038,894)	(1,038,894)	-
Other (Net Transfer)	-	(133,948)	133,948
Net Changes	<u>779,148</u>	<u>(3,710,650)</u>	<u>4,489,798</u>
Balance, December 31, 2022	<u>\$ 22,170,834</u>	<u>\$ 20,819,138</u>	<u>\$ 1,351,696</u>

*Sensitivity of the Net Pension Liability to Changes in the Discount Rate.* The following presents the net pension liability calculated using the discount rate of 7.25 percent, as well as, what the net position liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25 percent) or 1 percentage point higher (8.25 percent) than the current rate:

	DISCOUNT RATE		NET PENSION LIABILITY (ASSET)
1% decrease	6.25	%	\$ 3,912,790
Current discount rate	7.25		1,351,696
1% increase	8.25		(691,417)

*Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources.* For the year ended April 30, 2023, the City recognized pension expense of \$521,011. At April 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 7. DEFINED BENEFIT PENSION PLAN (CONT'D)

	DEFERRED OUTFLOWS OF RESOURCES	DEFERRED INFLOWS OF RESOURCES
Difference Between Expected and Actual Experience	\$ 147,821	\$ 36,022
Changes in Assumption	-	33,108
Net Difference Between Projected and Actual Earnings on Plan Investments	3,803,289	2,120,053
Contributions After Measurement Date	71,618	-
Total	\$ 4,022,728	\$ 2,189,183

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

YEAR ENDING <u>DECEMBER 31,</u>	
2023	\$ 46,149
2024	306,671
2025	529,902
2026	950,823
2027	-
Thereafter	-
Total	\$ 1,833,545

NOTE 8. POLICE PENSION PLAN

*Plan Administration* - Police sworn personnel are covered by the police pension plan, which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by the Illinois Compiled Statutes (chapter 40 ILCS 5/3-101) and may be amended only by the Illinois legislature.

The City accounts for the plan as a pension trust fund. The City does not, however, separately issue a financial report for the police pension plan.

Management of the police pension plan is vested in the City's Police Pension Board, which consists of five members - two elected by active plan members, one elected by retired members and two members appointed by the mayor.

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 8. POLICE PENSION PLAN (CONT'D)

Plan membership at April 30, 2023, consisted of the following:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	10
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	3
Active Plan Members	18
Total	31

*Benefits Provided* - The Police Pension Plan provides retirement disability and death benefits. Benefits provided under the statute are summarized as follows:

Tier 1 - For police officers first entering Article 3 prior to January 1, 2011.

Tier 2 - For police officers first entering Article 3 after December 31, 2010.

**Normal Pension Amount**

Tier 1 - Age 50 with 20 or more years of creditable service. Pension is 50% of the greater of the annual salary held in the year proceeding retirement or the annual salary held on the last day of service, plus 2 1/2% of such annual salary for service from 20 to 30 years (maximum 25%).

Tier 2 - Age 55 with 10 or more years of creditable service. Pension is 2 1/2% of the final average salary for each year of service. Final Average Salary is the highest salary based on the highest consecutive 96 months of the final 120 months of service.

**Disability Pension Amount**

Line of duty - Greater of 65% of salary attached to rank at date of suspension or retirement and the retirement pension available. Minimum of \$1,000 per month.

Not on duty - 50% of salary attached to rank at date of suspension or retirement. Minimum of \$1,000 per month.

**Pension to Survivors**

Death of Retired Member

Tier 2 - 66 2/3 % of pension amount to surviving spouse (or dependent children), subject to the following increase: the lesser of 1/2 of the Consumer Price Index - Urban (CPI-U) or 3% of the original pension amount after attainment of age 60, followed by an additional 3% of the original pension amount each January 1 thereafter.

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 8. POLICE PENSION PLAN (CONT'D)

Death While in Service (Not in line of duty)

With 20 years of creditable service, the pension amount earned as of the date of death.

With between 10 and 20 years of creditable service, 50 percent of the salary attached to the rank for the year prior to the date of death.

Death in Line of Duty

100% of the salary attached to the rank for the last day of service year prior to date of death.

Minimum Survivor Pension

\$1,000 per month to all surviving spouses.

**Pension Increases**

Tier 1 - 3% increase each January 1.

Tier 2 - 3% increase of the original pension amount each January 1.

Disabled - 3% increase of the original amount each January 1.

*Contributions by Police Officer* - Covered employees are required to contribute 9.91 percent of their base salary to the police pension plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary.

*Contributions by the City* - The City files an annual report with the Illinois Department of Insurance in compliance with the Illinois Compiled Statute. The City also engages an actuary to determine the employer contributions in an amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. For the year ended April 30, 2023, the City contributed, \$690,000 which was 47.79% of covered payroll.

*Investment Policy* - The Pension Plan's investment policy follows the investments permissible under the Illinois Compiled Statutes 40 ILCS 5/Illinois Pension Code.

*Rate of Return* - For the year ended April 30, 2023 the annual money weighted rate of return on pension plan investments, net of pension plan investment expense, was 1.15 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 8. POLICE PENSION PLAN (CONT'D)

*Net Pension Liability of the City* - The components of the net pension liability of the City at April 30, 2023, were:

Total Pension Liability	\$ 13,941,361
Plan Fiduciary Net Position	(8,446,162)
City's Net Pension Liability	\$ 5,495,199

Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	60.58%
--	--------

*Actuarial Assumptions* - The total pension liability was determined by an actuarial valuation as of April 30, 2023, using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Entry Age Normal
Actuarial Valuation Method	5-year smoothed market, no corridor
Inflation	2.5 percent
Salary Increases	Graded rates from 4.86 % at age 25 to 1.12% at age 55, plus 2 percent inflation allowance
Investment Rate of Return	6.50%, net of pension plan investment expense, including inflation
Retirement Age	Active plan members were assumed to retire between the ages of 50 and 69
Mortality	For active plan members, rates were developed from the RP-2000 Combined Healthy Mortality Table (Male) with blue collar adjustment projected by Scale BB to 2015. For disabled plan members, rates were developed from the RP-2000 Combined Healthy Mortality Table (Male) with blue collar adjustment projected by Scale BB to 2015 with a 150% load for participants under age 50.
Other Information	There were no benefit changes during the year.

The long-term expected rate of return on pension plan investments was based on the city council's decision with the actuary and the long-term expected rate of return based on the investment portfolio as a whole.

*Discount Rate* - The discount rate used to measure the total pension liability was 6.50 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 8. POLICE PENSION PLAN (CONT'D)

*Sensitivity of the Net Pension Liability to Changes in the Discount Rate* - The following presents the net pension liability of the City, calculated using the discount rate of 6.50 percent, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50 percent) or 1-percentage-point higher (7.50 percent) than the current rate:

	1% DECREASE (5.50%)	CURRENT DISCOUNT RATE (6.50%)	1% INCREASE (7.50%)
City's Net Pension Liability	\$ 7,724,945	\$ 5,495,199	\$ 3,701,143

*Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources*. For the year ended April 30, 2023, the City recognized pension expense of \$1,097,519. At April 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to Police Pension from the following sources:

	DEFERRED OUTFLOWS OF RESOURCES	DEFERRED INFLOWS OF RESOURCES
Difference Between Expected and Actual Experience	\$ 1,280,601	\$ 671,381
Changes of assumptions	528,027	-
Difference Between Projected and Actual Investment	751,470	-
Total	\$ 2,560,098	\$ 671,381

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

YEAR ENDING APRIL 30,	
2024	\$ 526,950
2025	476,563
2026	539,204
2027	307,801
2028	67,175
Thereafter	(28,976)
Total	\$ 1,888,717

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 9. OTHER POSTEMPLOYMENT BENEFIT PLAN

**Plan Description** - The City of Waterloo defined other postemployment benefit plan (OPEB) is a single-employer defined benefit healthcare Plan that is administered by the City and covers retired employees of the City and their dependents. The Plan provides for the continuation of health care benefits for eligible retired employees. The City has the authority to establish and amend benefit provisions of the plan. The Plan does not issue a separate publicly available report.

**Benefits Provided** - The City provides to retirees the option to continue healthcare coverage under the City's group health program. To be eligible for benefits, an employee must qualify for retirement under one of the City's retirement plans. Elected officials are eligible for benefits if they qualify for retirement through the IMRF.

At April 30, 2023, membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Inactive	
Participants Entitled to But Not Yet Receiving Benefits	5
Active Participants	64
Total	64

**Contributions** - Retirees and their dependents may continue the coverage under the group health program by contributing one hundred percent (100%) of the blended average action group cost. The City pays one hundred percent (100%) of the cost of coverage for duty disabled police officers.

**Net OPEB Liability** - The components of the net OPEB liability of the plan at April 30, 2023, calculated in accordance with GASB Statement No. 75 were as follows:

Total OPEB Liability	\$ 1,101,866
Plan Fiduciary Net Position	-
Net OPEB Liability	\$ 1,101,866

Plan fiduciary net position as a percentage of the total OPEB Liability      0.00%

See the schedule of post-retirement benefits liability and related ratios in the required supplementary information for additional information related to the funded status of the plan.

**Actuarial Assumptions** - The total OPEB liability was determined by an actuarial valuation as of April 30, 2023, using the following actuarial assumptions:

Salary Increases	3.50%
Investment Rate of Return	N/A
Municipal Bond Index Rate (Unfunded Plan)	3.77%

Mortality Pub G base rates projected using scale MP2021.

Healthcare Inflation 6.75%, grading down .25% per year until 5.0% is reached.

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 9. OTHER POSTEMPLOYMENT BENEFIT PLAN (CONT'D)

Changes in Net OPEB Liability - Changes in net OPEB liability calculated under GASB Statement No. 75 are as follows:

	TOTAL OPEB LIABILITY	PLAN FIDUCIARY NET POSITION	NET OPEB LIABILITY
Balance May 1, 2022	\$ 1,183,528	\$ -	\$ 1,183,528
Changes for the year:			
Service cost	91,870	-	91,870
Interest cost	39,872	-	39,872
Differences Between Expected & Actual Experience	(214,821)	-	(214,821)
Assumption changes	36,768	-	36,768
Contributions - Employer	-	35,351	35,351
Benefit payments	(35,351)	(35,351)	(70,702)
Net Changes	(81,662)	-	(81,662)
Balance April 30, 2023	\$ 1,101,866	\$ -	\$ 1,101,866

**Discount Rate** - The discount rate used to measure the total OPEB liability was 3.77%. Since the plan is unfunded, this is based on the 20-year muni index rate.

**Sensitivity of the Net OPEB Liability to Changes in the Discount Rate** - The following presents the net OPEB liability of the plan, calculated using the discount rate of 3.77%, as well as what the plan's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher:

	DISCOUNT RATE	NET OPEB LIABILITY (ASSET)
1% decrease	2.77%	\$ 1,201,186
Current discount rate	3.77%	1,101,866
1% increase	4.77%	1,009,949

**Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates** - The following presents the net OPEB liability of the plan, as well as, what the plan's OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher:

	TREND RATE	NET OPEB LIABILITY (ASSET)
1% decrease	5.75%	\$ 970,680
Current discount rate	6.75%	1,101,866
1% increase	7.75%	1,256,030



CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 9. OTHER POSTEMPLOYMENT BENEFIT PLAN (CONT'D)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.

For the year ended April 30, 2023 the City recognized OPEB expense of \$91,698. At April 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	DEFERRED OUTFLOWS OF RESOURCES	DEFERRED INFLOWS OF RESOURCES
Assumption Changes	\$ 174,937	\$ (560,755)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>YEAR ENDED APRIL 30,</u>		
2024	\$	(40,044)
2025		(40,044)
2026		(40,044)
2027		(40,044)
2028		(40,044)
Thereafter		(185,598)
	\$	(385,818)

NOTE 10. PROPERTY TAXES

The City's 2021 property tax levy was passed by the City on November 15, 2021. Property taxes attach as an enforceable lien on property as of January 1. Taxes were payable in two (2) installments on November 4, 2022 and December 16, 2022. Major tax payments were received by the City funds by April 30, 2023 for taxes payable in 2022.

The City's 2022 property tax levy was passed by the Board on December 19, 2022.

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 11. COMMITMENTS AND CONTINGENCIES

A. Water Treatment Facility

The City is planning to construct a 3.25 million gallon water treatment facility and 500,000 gallon elevated storage tank.

Land for the Water Treatment Facility and elevated storage tank has been acquired at a total investment of \$522,727.

The City has approved a professional services agreement relative to the acquisition of easements with a total cost not to exceed \$145,000. As of April 30, 2022, \$128,056 has been expended.

The City has approved a professional services agreement for designing and bidding a 3.25 million gallon water treatment facility at a cost not to exceed \$1,145,000 and additional design engineering services of \$140,000 per Resolution 23-14 on April 17, 2023. As of April 30, 2023, \$1,285,000 has been expended. The City has approved Resolution 23-14 on April 17, 2023, a professional services agreement for water supply treatment and transmission facilities project - construction phase services at a cost not to exceed \$1,927,105. As of April 30, 2023, \$9,731.80 has been expended.

B. Federal and State Grants

In the normal course of operations, the City receives grant funds from various federal and state agencies. The grant programs are subject to audit by agents of the granting authorities, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

C. State Motor Fuel Fund

This fund is under the direct supervision of state authorities and is subject to audit and review by them. Therefore, this report does not constitute final approval. Under current procedures, the allotments of the City are being received from the State of Illinois each month. These allotments, however, may be expended only for specific projects that have been approved by the Department of Transportation, State of Illinois.

NOTE 12. RISK MANAGEMENT

The City is a member of the Illinois Municipal League Risk Management Association, a public entity risk pool, currently operating as a common risk management and insurance program. The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. These risks are covered by their participation in a public entity risk pool. Whenever the pool determines that the assets of the fund are less than the reserves which would be required to be maintained by the fund, then the fund shall assess each public agency member the amount necessary to correct the deficiency. Each assessment will be prorated based upon the public agencies' annual contributions, provided

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 12. RISK MANAGEMENT (CONT'D)

that in no event shall the annual total of any assessment exceed 10 percent of the gross annual premium or contributions to the fund during the most recent year. The premium for the year ended April 30, 2023 was \$345,955. In the opinion of the City officials, no additional liability will be incurred. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance coverage from coverage in the prior year.

NOTE 13. CONCENTRATIONS

Management expects that approximately \$600,000 in sales tax revenue is derived from the Wal-Mart Super Center located within the corporate limits.

The City also had approximately \$404,862 in gross utility revenue from Wal-Mart in the Proprietary fund.

Included in charges for services within governmental revenue is \$964,486 in administrative fees received from the Proprietary funds (Electric, Gas, Water and Sewer).

NOTE 14. INTERFUND TRANSFERS/LOANS

The Motor Fuel Tax fund owed the General Fund \$14,803 at April 30, 2023.

NOTE 15. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

The following funds incurred expenditures in excess of appropriations in the following amounts for the year ended April 30, 2023:

<u>FUND</u>	<u>DEPARTMENT</u>	<u>OBJECT CATEGORY</u>	<u>EXCEEDING APPROPRIATIONS</u>
General Fund	Legislative	Printing and Publishing	\$ 1
General Fund	Finance	Clerical	211
General Fund	Zoning/Building Inspector	Office Supplies	340
General Fund	Police	Over-Time Salaries	584
General Fund	Emergency Management Agency	Equipment -New	2,011
General Fund	Social Services	Sick Leave	145
General Fund	Streets and Alleys	Vacation Leaver	3,667

The excess expenditures were covered by available fund balance in the funds.

CITY OF WATERLOO, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 16. NEW ACCOUNTING PRONOUNCEMENT

GASB Statement No. 87, Leases (GASB 87) issued June 2017, is effective for the fiscal year ended April 30, 2023. GASB 87 requires the recognition of certain lease assets and lease liabilities for leases that previously were classified as operating leases. It establishes a single model for lease accounting based on the foundational principles that leases are financing of the right to use an underlying asset. Under GASB 87, a lease is required to recognize a lease liability and an intangible right to use lease asset. This pronouncement has no effect on the financial statements.

NOTE 17. SUBSEQUENT EVENTS

Management has evaluated the effect of subsequent events on the financial statements, through January 26, 2024. From this evaluation, there were no subsequent events that were determined to meet the criteria for disclosure.

**REQUIRED SUPPLEMENTARY INFORMATION**

CITY OF WATERLOO, ILLINOIS  
ILLINOIS MUNICIPAL RETIREMENT FUND  
MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS  
APRIL 30, 2023

LAST 10 CALENDAR YEARS (SCHEDULE TO BE BUILT PROSPECTIVELY FROM 2014)

Calendar Year Ending December 31,	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>TOTAL PENSION LIABILITY:</b>									
Service Cost	\$ 341,760	\$ 319,418	\$ 349,839	\$ 328,098	\$ 316,253	\$ 341,104	\$ 349,687	\$ 323,114	
Interest on the Total Pension Liability	1,525,626	1,453,867	1,393,446	1,325,447	1,249,990	1,233,973	1,208,003	1,132,785	
Benefit Changes	-	-	-	-	-	-	-	-	
Difference Between Expected and Actual Experience	(49,344)	224,173	238,621	162,941	350,276	(38,812)	(522,498)	236,500	
Assumption Changes	-	-	(163,821)	-	509,057	(567,969)	(40,678)	40,371	
Benefit Payments and Refunds	(1,038,894)	(998,792)	(940,193)	(838,673)	(793,346)	(691,276)	(682,762)	(717,413)	
Net Change in Total Pension Liability	<u>779,148</u>	<u>998,666</u>	<u>877,892</u>	<u>977,813</u>	<u>1,632,230</u>	<u>277,020</u>	<u>311,752</u>	<u>1,015,357</u>	
Total Pension Liability - Beginning	<u>21,391,686</u>	<u>20,393,020</u>	<u>19,515,128</u>	<u>18,537,315</u>	<u>16,905,085</u>	<u>16,628,065</u>	<u>16,316,313</u>	<u>15,300,956</u>	
Total Pension Liability - Ending (a)	<u>22,170,834</u>	<u>21,391,686</u>	<u>20,393,020</u>	<u>19,515,128</u>	<u>18,537,315</u>	<u>16,905,085</u>	<u>16,628,065</u>	<u>16,316,313</u>	
<b>PLAN FIDUCIARY NET POSITION:</b>									
Employer Contributions	297,301	343,229	336,993	254,673	328,734	340,217	360,379	468,089	
Employee Contributions	166,302	154,918	146,944	140,962	137,227	135,605	133,474	131,980	
Pension Plan Net Investment Income	(3,001,411)	3,591,720	2,650,312	3,030,965	(882,965)	2,625,678	994,458	71,203	
Benefit Payments and Refunds	(1,038,894)	(998,792)	(940,193)	(838,673)	(793,346)	(691,276)	(682,762)	(717,413)	
Other	(133,948)	59,496	193,774	94,995	358,953	(194,275)	(131,549)	16,808	
Net Change in Plan Fiduciary Net Position	<u>(3,710,650)</u>	<u>3,150,571</u>	<u>2,387,830</u>	<u>2,682,922</u>	<u>(851,397)</u>	<u>2,215,949</u>	<u>674,000</u>	<u>(29,333)</u>	
Plan Fiduciary Net Position - Beginning	<u>24,529,788</u>	<u>21,379,217</u>	<u>18,991,387</u>	<u>16,308,465</u>	<u>17,159,862</u>	<u>14,943,913</u>	<u>14,269,913</u>	<u>14,299,246</u>	
Plan Fiduciary Net Position - Ending (b)	<u>\$ 20,819,138</u>	<u>\$ 24,529,788</u>	<u>\$ 21,379,217</u>	<u>\$ 18,991,387</u>	<u>\$ 16,308,465</u>	<u>\$ 17,159,862</u>	<u>\$ 14,943,913</u>	#####	
Net Pension Liability/(Asset) - Ending (a)-(b)	\$ 1,351,696	\$ (3,138,102)	\$ (986,197)	\$ 523,741	\$ 2,228,850	\$ (254,777)	\$ 1,684,152	\$ 2,046,400	
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	93.90%	114.67%	104.84%	97.32%	87.98%	101.51%	89.87%	87.46%	
Covered Valuation Payroll	\$ 3,670,394	\$ 3,442,623	\$ 3,265,434	\$ 3,132,508	\$ 3,049,475	\$ 3,013,449	\$ 2,966,080	\$ 2,932,889	
Net Pension Liability as a Percentage of Covered Valuation Payroll	36.83%	-91.15%	-30.20%	16.72%	73.09%	-8.45%	56.78%	69.77%	

CITY OF WATERLOO, ILLINOIS  
ILLINOIS MUNICIPAL RETIREMENT FUND  
MULTIYEAR SCHEDULE OF CONTRIBUTIONS  
APRIL 30, 2023

LAST 10 CALENDAR YEARS

<u>CALENDAR YEAR ENDING DECEMBER 31,</u>	<u>ACTUARIALLY DETERMINED CONTRIBUTION</u>	<u>ACTUAL CONTRIBUTION</u>	<u>CONTRIBUTION DEFICIENCY (EXCESS)</u>	<u>COVERED VALUATION PAYROLL</u>	<u>ACTUAL CONTRIBUTION AS A % OF COVERED VALUATION PAYROLL</u>
2015	\$ 468,089	\$ 468,089	\$ -	\$ 2,932,889	15.96%
2016	360,379	360,379	-	2,966,080	12.15%
2017	340,218	340,217	1	3,013,449	11.29%
2018	328,733	328,734	(1)	3,049,475	10.78%
2019	254,986	254,673	313	3,132,508	8.13%
2020	336,993	336,993	-	3,265,434	10.32%
2021	343,230	343,229	1	3,442,623	9.97%
2022	297,302	297,301	1	3,670,394	8.10%

CITY OF WATERLOO, ILLINOIS  
ILLINOIS MUNICIPAL RETIREMENT FUND  
NOTES TO SCHEDULE OF CONTRIBUTIONS  
SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS  
USED IN THE CALCULATION OF THE 2022 CONTRIBUTION RATE\*  
APRIL 30, 2023

**Valuation Date:**

Notes Actuarially determined contribution rates are calculated as of December 31 each year, which is 12 months prior to the beginning of the calendar year in which contributions are reported.

**Methods and Assumptions Used to Determine Contribution Rates:**

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP and ECO groups): 21-year closed period. Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 16 years for most employers (five employers were financed over 17 years; one employer was financed over 18 years; two employers were financed over 19 years; one employer was financed over 20 years; three employers were financed over 25 years; four employers were financed over 26 years and one employer was financed over 27 years).
Asset Valuation Method	5-Year smoothed market; 20% corridor
Wage Growth	2.75%
Price Inflation	2.25%
Salary Increases	2.85% to 13.75% including inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

**Other Information:**

Notes There were no benefit changes during the year.

\*Based on Valuation Assumptions used in the December 31, 2020 actuarial valuation



CITY OF WATERLOO  
MULTIYEAR SCHEDULE OF POST RETIREMENT BENEFITS  
GASB 75 HISTORICAL NET OPEB LIABILITY

LAST 10 CALENDAR YEARS  
(schedule to be built prospectively from 2018)

Calendar year ending April 30,	2023	2022	2021	2020	2019	2018
<b>Total OPEB Liability</b>						
Discount Rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Service Cost	\$ 91,870	\$ 109,727	\$ 96,935	\$ 83,870	\$ 78,330	\$ -
Interest Cost	39,872	25,630	39,675	46,023	44,905	-
Plan Amendments	-	-	-	(20,350)	-	-
Actuarial Losses/(Gains)	(214,821)	-	(354,823)	-	-	-
Assumption Changes	36,768	(136,516)	110,673	92,135	17,522	-
Benefit Payments	(35,351)	(48,566)	(45,283)	(59,880)	(55,189)	-
<b>Net Change in Total OPEB Liability</b>	(81,662)	(49,725)	(152,823)	141,798	85,568	-
<b>Total OPEB Liability - Beginning</b>	1,183,528	1,233,253	1,386,076	1,244,278	1,158,710	-
<b>Total OPEB Liability - Ending (a)</b>	<u>\$ 1,101,866</u>	<u>\$ 1,183,528</u>	<u>\$ 1,233,253</u>	<u>\$ 1,386,076</u>	<u>\$ 1,244,278</u>	<u>\$ -</u>
<b>Plan Fiduciary Net Position</b>						
Employer Contributions	\$ 35,351	\$ 48,566	\$ 45,283	\$ 59,880	\$ 55,189	\$ -
Employee Contributions	-	-	-	-	-	-
Net Investment Income	-	-	-	-	-	-
Benefit Payments	(35,351)	(48,566)	(45,283)	(59,880)	(55,189)	-
Administrative Expenses	-	-	-	-	-	-
<b>Net Change in Plan Fiduciary Net Position</b>	-	-	-	-	-	-
<b>Plan Fiduciary Net Position - Beginning</b>	-	-	-	-	-	-
<b>Plan Fiduciary Net Position - Ending (b)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Net OPEB Liability/(Asset) -Ending (a)-(b)</b>	<u>\$ 1,101,866</u>	<u>\$ 1,183,528</u>	<u>\$ 1,233,253</u>	<u>\$ 1,386,076</u>	<u>\$ 1,244,278</u>	<u>\$ -</u>
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%	-
Covered Valuation Payroll	\$ 4,964,939	\$ 4,359,957	\$ 4,212,520	\$ 4,162,934	\$ 4,022,159	\$ -
Net OPEB Liability as a Percentage of Covered Valuation Payroll	22.19%	27.15%	29.28%	33.30%	30.94%	-

CITY OF WATERLOO  
MULTIYEAR SCHEDULE OF EMPLOYER PAID CONTRIBUTIONS  
POST RETIREMENT BENEFITS

LAST 10 CALENDAR YEARS

<u>YEAR</u> <u>ENDING</u> <u>APRIL 30,</u>	<u>ACTUARIALLY</u> <u>DETERMINED</u> <u>CONTRIBUTION</u>	<u>ACTUAL</u> <u>CONTRIBUTION</u>	<u>CONTRIBUTION</u> <u>DEFICIENCY</u> <u>(EXCESS)</u>	<u>COVERED</u> <u>VALUATION</u> <u>PAYROLL</u>	<u>ACTUAL CONTRIBUTION</u> <u>AS A % OF COVERED</u> <u>VALUATION PAYROLL</u>
2019	\$ 55,189	\$ 55,189	\$ -	\$ 4,022,159	1.37%
2020	59,880	59,880	-	4,162,934	1.44%
2021	45,283	45,283	-	4,212,520	1.07%
2022	48,566	48,566	-	4,359,957	1.11%
2023	35,351	35,351	-	4,964,939	0.71%

CITY OF WATERLOO  
NOTES TO THE SCHEDULE OF POST RETIREMENT BENEFITS  
SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS  
USED IN THE CALCULATION OF THE 2023 TOTAL OPEB LIABILITY  
POST RETIREMENT BENEFITS

**Methods and Assumptions Used to Determine the 2023 Total OPEB Liability:**

Funding Method	Entry Age Normal Cost Method - A method under which the actuarial present value of the projected benefits of each active participant is allocated on a level basis over the earnings of the individual between entry age and assumed exit age(s). The portion of this actuarial present value allocated to the valuation year is called the Normal Cost. The portion of this actuarial present value not provided for at a valuation date by the actuarial present value of future normal costs is called the Actuarial Accrued Liability.										
Mortality Rates	<p>Pre-Retirement: Males: RP-2014 Healthy Employee Table for males, with projected mortality improvement based on the most recently published mortality improvement scale (MP 2018).</p> <p>Females: RP-2014 Healthy Employee Table for females, with projected mortality improvement based on the most recently published mortality improvement scale (MP 2018).</p> <p>Post-Retirement: Males: RP-2014 Healthy Employee Table for males, with projected mortality improvement based on the most recently published mortality improvement scale (MP 2018).</p> <p>Females: RP-2014 Healthy Employee Table for females, with projected mortality improvement based on the most recently published mortality improvement scale (MP 2018).</p>										
Discount Rate	3.77%										
Salary Appreciation	Increase Rate: 3.5% per annum; compounded annually (includes 1.75% merit component)										
Assumed Retirement Age	Age 56 and the completion of 20 Years of Service but not later than Age 60 with 10 Years of Service.										
Termination prior to Retirement other	<p>T-1 Actuary's Table, Sample Values:</p> <table border="0" style="margin-left: 40px;"> <thead> <tr> <th style="text-align: left;"><u>Age</u></th> <th style="text-align: left;"><u>Probability of Termination</u></th> </tr> </thead> <tbody> <tr> <td>20</td> <td>0.054417</td> </tr> <tr> <td>30</td> <td>0.037056</td> </tr> <tr> <td>40</td> <td>0.011306</td> </tr> <tr> <td>50+</td> <td>0.000000</td> </tr> </tbody> </table>	<u>Age</u>	<u>Probability of Termination</u>	20	0.054417	30	0.037056	40	0.011306	50+	0.000000
<u>Age</u>	<u>Probability of Termination</u>										
20	0.054417										
30	0.037056										
40	0.011306										
50+	0.000000										
Healthcare Inflation	Initial rate of 7.25%, grading down .25% per year until an ultimate rate of 4.5% is reached.										
Plan Assets and Funding Policy	There are no designated plan assets to pay benefits. Benefits are paid on a pay-as-you-go basis.										

CITY OF WATERLOO  
NOTES TO THE SCHEDULE OF POST RETIREMENT BENEFITS  
SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS  
USED IN THE CALCULATION OF THE 2023 TOTAL OPEB LIABILITY  
POST RETIREMENT BENEFITS

**Methods and Assumptions Used to Determine the 2023 Total OPEB Liability Continued:**

Monthly Health Plan Premium Costs (Blended)	<u>Coverage</u>	<u>Medical</u>	<u>Dental &amp; Vision</u>
	Employee Only	\$ 812.54	\$ 39.02
	Employee Plus Spouse	1,769.23	81.18
	Employee Plus Children	1,603.96	77.52
	Family	2,560.65	129.94

Dental Costs are included above and are assumed to not be age weighted. For Medicare retirees, there is an employer liability for dental costs only.

Medical Premiums are age weighted for retirees based on the 2013 Society of Actuaries commissioned paper, "Health Care Costs-From Birth to Death", published in June 2013. The 5-year age weight bands are based on a 50% male/50% female claim distribution split, as follows:

<u>Age Group</u>	<u>Age Weight</u>
Less than 20	0.5435
20-24	0.5095
25-29	0.6660
30-34	0.8400
35-39	0.9230
40-44	1.0170
45-49	1.1825
50-54	1.4630
55-59	1.7875
60-64	2.2085

Coverage Election	It is assumed that 100% of active plan members who retiree and are eligible elect plan coverage.
Marital Status	Assumed 80% are married, Spouse is assumed to be 3 years younger than the participant.
Covered Lives for Claim Cost Development	For actives and retirees who are not married, it is assumed there are no covered dependents. For married actives, it is assumed there are 1.5 covered dependents on average. For married retirees, it is assumed there is 1 covered dependent.
Expense Load	Included in retiree per capita costs.

CITY OF WATERLOO  
POLICE PENSION FUND  
APRIL 30, 2023

MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>TOTAL PENSION LIABILITY:</b>										
Service Cost	\$ 372,166	\$ 349,992	\$ 347,712	\$ 350,827	\$ 350,827	\$ 329,507	\$ 246,585	\$ 268,414	\$ 282,417	
Interest on the Total Pension Liability	838,806	787,581	741,317	631,372	633,007	551,919	505,436	500,155	382,427	
Changes of Benefit Terms	-	-	-	-	-	-	-	-	-	
Difference Between Expected and Actual Experience	433,664	(25,505)	209,748	476,317	(960,117)	669,634	226,932	(465,422)	790,465	
Changes of Assumptions	-	81,192	-	728,347	-	-	-	-	561,107	
Contributions - Buy Back	-	106,426	-	-	-	-	-	-	-	
Changes of Benefit Terms	-	-	-	27,379	-	-	-	-	-	
Benefit Payments	(471,628)	(595,937)	(582,679)	(456,646)	(316,382)	(292,707)	(239,384)	(207,093)	(203,635)	
Net Change in Total Pension Liability	1,173,008	703,749	716,098	1,757,596	(292,665)	1,258,353	739,569	96,054	1,812,781	
Total Pension Liability - Beginning	12,768,353	12,064,604	11,348,506	9,590,910	9,883,575	8,625,222	7,885,653	7,789,599	5,976,818	
Total Pension Liability - Ending	13,941,361	12,768,353	12,064,604	11,348,506	9,590,910	9,883,575	8,625,222	7,885,653	7,789,599	
<b>PLAN FIDUCIARY NET POSITION:</b>										
Employer Contributions	690,000	654,000	653,000	500,000	538,000	418,000	405,000	441,000	380,000	
Employee Contributions	146,078	142,837	146,383	106,943	121,205	107,693	79,999	96,824	94,024	
Contributions - Buy Back	-	106,426	-	-	-	-	-	-	-	
Pension Plan Net Investment Income	82,266	(457,806)	1,101,477	180,516	294,505	236,870	295,773	(44,528)	156,597	
Benefit Payments and Refunds	(471,628)	(595,937)	(582,679)	(456,646)	(316,382)	(292,707)	(239,384)	(207,093)	(203,635)	
Other	(20,661)	(19,818)	(22,466)	(28,081)	(28,180)	(28,180)	(16,893)	(17,115)	(18,460)	
Net Change in Plan Fiduciary Net Position	426,055	(170,298)	1,295,715	302,732	609,148	441,676	524,495	269,088	408,526	
Plan Fiduciary Net Position - Beginning	8,020,107	8,190,405	6,894,690	6,591,958	5,982,810	5,541,134	5,016,639	4,747,551	4,339,025	
Plan Fiduciary Net Position - Ending	\$ 8,446,162	\$ 8,020,107	\$ 8,190,405	\$ 6,894,690	\$ 6,591,958	\$ 5,982,810	\$ 5,541,134	\$ 5,016,639	\$ 4,747,551	
Net Pension Liability/(Asset)	\$ 5,495,199	\$ 4,748,246	\$ 3,874,199	\$ 4,453,816	\$ 2,998,952	\$ 3,900,765	\$ 3,084,088	\$ 2,869,014	\$ 3,042,048	
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	60.58%	62.81%	67.89%	60.75%	68.73%	60.53%	64.24%	63.62%	60.95%	
Covered Valuation Payroll	\$ 1,474,046	\$ 1,441,342	\$ 1,390,236	\$ 1,340,280	\$ 1,382,122	\$ 1,262,314	\$ 871,922	\$ 914,496	\$ 987,469	
Net Pension Liability as a Percentage of Covered Valuation Payroll	372.80%	329.43%	278.67%	332.30%	216.98%	309.02%	353.71%	313.73%	308.07%	

CITY OF WATERLOO  
POLICE PENSION FUND  
APRIL 30, 2023

MULTIYEAR SCHEDULE OF CONTRIBUTIONS - LAST 10 FISCAL YEARS

<u>FISCAL YEAR ENDING APRIL 30,</u>	<u>ACTUARIALLY DETERMINED CONTRIBUTION</u>	<u>ACTUAL CONTRIBUTION</u>	<u>CONTRIBUTION DEFICIENCY (EXCESS)</u>	<u>COVERED VALUATION PAYROLL</u>	<u>ACTUAL CONTRIBUTION AS A % OF COVERED VALUATION PAYROLL</u>
2023	\$ 684,879	\$ 690,000	\$ (5,121)	\$ 1,443,670	47.79%
2022	653,386	654,000	(614)	1,441,342	45.37%
2021	652,568	653,000	(432)	1,390,236	46.97%
2020	479,637	500,000	(20,363)	1,340,280	37.31%
2019	534,652	538,000	(3,348)	1,262,314	42.62%
2018	412,129	418,000	(5,871)	871,922	47.94%
2017	402,177*	405,000	(2,823)	914,496	44.29%
2016	440,707*	441,000	(293)	967,469	45.58%
2015	380,000*	380,000	-	873,150	43.52%

\* Estimate based on the prior year actuarial evaluation.

CITY OF WATERLOO  
POLICE PENSION FUND  
APRIL 30, 2023

SCHEDULE OF INVESTMENT RETURNS

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Annual Money - Weighted Rate of Return, Net of Investment Expense	3.09%	-1.25%	5.43%	3.69%	4.33%	3.29%	17.39%	-5.67%	1.15%	-

CITY OF WATERLOO  
POLICE PENSION FUND  
APRIL 30, 2023

NOTES TO SCHEDULE OF CONTRIBUTIONS

**Valuation Date:** Actuarially determined contributions are calculated as of May 1 of each year prior to the beginning of the year in which contributions are reported.

**Methods and Assumptions Used to Determine Total Pension Liability and Contribution Rates:**

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar
Amortization Period	Ends in fiscal year 2041
Asset Valuation Method	5-year smoothed market, no corridor
Salary Increases	Graded rates from 4.86% at age 25 to 1.12 % at age 55, plus 2.0% inflation allowance
Payroll Growth	3.50% per year
Investment Rate of Return	6.50% per year

Retirement Age

<u>AGE</u>	<u>RATE OF RETIREMENT</u>	<u>AGE</u>	<u>RATE OF RETIREMENT</u>
50	0.36	60	0.22
51	0.22	61	0.30
52	0.18	62	0.39
53	0.19	63	0.48
54	0.19	64	0.57
55	0.20	65	0.65
56	0.20	66	0.74
57	0.20	67	0.83
58	0.21	68	0.91
59	0.21	69	1.00

Mortality

Active Lives  
 RP-2000 Combined Healthy Mortality Table (male) with blue collar adjustment projected by Scale BB to 2015

Disabled Lives  
 RP-2000 Combined Healthy Mortality Table (male) with blue collar adjustment projected by Scale BB to 2015 with a 150% load for participants under age 50

**Other Information:** There were no benefit changes during the year.

Municipal Contributions at 100% based upon 5-year historical average. Contributions are assumed to be based upon the ARC or ADEC calculated two years prior. A detailed description of the actuarial assumptions and methods can be found in the May 1, 2019 actuarial valuation report.



CITY OF WATERLOO, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET TO ACTUAL - GENERAL FUND  
YEAR ENDED APRIL 30, 2023

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>AMOUNTS</u>	<u>WITH FINAL</u>
			<u>(BUDGETARY</u>	<u>BUDGET-</u>
			<u>BASIS)</u>	<u>POSITIVE</u>
				<u>(NEGATIVE)</u>
REVENUE:				
Property Tax IMRF/FICA	\$ 134,700	\$ 134,700	\$ 134,323	\$ (377)
Property Tax Road and Bridge	50,000	50,000	49,874	(126)
Property Tax Gen. Corporate	135,750	135,750	136,722	972
Liquor License	22,000	22,000	23,612	1,612
Franchise License	121,000	121,000	125,916	4,916
Utility Franchise	930,000	955,000	964,486	9,486
Infrastructure Fee	145,000	138,000	136,304	(1,696)
Fees and Permits	115,000	115,000	100,479	(14,521)
Inspection Fees	15,000	15,000	15,100	100
State Income Tax	1,870,000	2,222,000	2,227,916	5,916
State Replacement Tax	102,100	203,300	204,223	923
Mobile Home Taxes	5	5	5	-
Cops Grant/SRO Officer	79,775	79,775	79,778	3
Grant	-	20,000	18,687	(1,313)
Sales Tax	2,850,000	2,900,000	2,944,634	44,634
Business District Tax	107,000	105,000	103,095	(1,905)
Video Gaming	236,000	250,000	257,375	7,375
Cannabis Use Tax	21,500	17,750	17,339	(411)
Court Fines	36,000	36,000	36,525	525
Penalties on Service	8,500	8,500	9,541	1,041
Refuse Fees	902,500	902,500	904,721	2,221
Utility Bill Adjustment	(250)	(250)	(50)	200
Interest Income	7,000	225,750	289,385	63,635
Tower Rental	22,000	22,000	22,089	89
Sundry Income	5,000	8,000	8,392	392
Donations	36,500	50,000	52,189	2,189
Asset Seizure	-	-	-	-
Hotel/Motel Tax	15,000	15,000	16,841	1,841
Miscellaneous	2,000	500	2,030	1,530
Total Revenue	<u>\$ 7,969,080</u>	<u>\$ 8,752,280</u>	<u>\$ 8,881,531</u>	<u>\$ 129,251</u>

CITY OF WATERLOO, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET TO ACTUAL - GENERAL FUND  
YEAR ENDED APRIL 30, 2023

	BUDGETED AMOUNTS		ACTUAL	VARIANCE
	ORIGINAL	FINAL	AMOUNTS	WITH FINAL
			(BUDGETARY	BUDGET-
			BASIS)	POSITIVE
				(NEGATIVE)
<b>EXPENDITURES:</b>				
<b>Legislative</b>				
Mayor	\$ 26,850	\$ 26,850	\$ 24,599	\$ 2,251
Aldermen	135,000	135,000	126,929	8,071
FICA	13,000	13,000	11,451	1,549
Professional Services	41,000	46,000	41,329	4,671
Communications	4,500	3,000	2,402	598
Printing and Publishing	7,300	8,000	8,001	(1)
Membership and Dues	15,000	15,000	14,600	400
Training	14,500	6,000	2,183	3,817
Books and Publications	700	700	619	81
Bad Debt Expense	2,000	2,000	712	1,288
Insurance and Bonds	600	400	394	6
Sales Tax Rebate	115,000	105,000	103,427	1,573
Miscellaneous	11,000	11,000	8,206	2,794
Office Supplies	100	100	11	89
Capital Projects	-	-	-	-
Legislative Total Expense	<u>386,550</u>	<u>372,050</u>	<u>344,863</u>	<u>27,187</u>
<b>Finance</b>				
District of Public Works	28,000	28,000	27,635	365
Finance Director	23,500	23,500	22,460	1,040
Clerical	66,000	62,000	62,211	(211)
Human Resource	12,500	10,000	6,874	3,126
Part-Time Salaries	6,000	6,000	4,524	1,476
Over-Time Salaries	2,000	2,000	134	1,866
Sick Leave	4,000	4,000	3,496	504
Vacation Leave	12,000	12,000	11,279	721
Treasurer	9,200	9,200	9,117	83
Health Insurance	30,000	30,000	14,619	15,381
Health Insurance Reimbursement	20,000	20,000	12,091	7,909
Unemployment Insurance	250	250	196	54
FICA	13,000	12,000	11,071	929
IMRF	12,000	12,000	9,704	2,296
Bank Charges	1,000	1,000	956	44
Clothing Allowance	2,000	2,000	1,305	695
Sub-Total (Carried Forward)	<u>\$ 241,450</u>	<u>\$ 233,950</u>	<u>\$ 197,672</u>	<u>\$ 36,278</u>

CITY OF WATERLOO, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET TO ACTUAL - GENERAL FUND  
YEAR ENDED APRIL 30, 2023

	BUDGETED AMOUNTS		ACTUAL AMOUNTS (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
Sub-Total (Brought Forward)	\$ 241,450	\$ 233,950	\$ 197,672	\$ 36,278
Equipment Rental and Service	2,500	2,500	1,967	533
Professional Services	3,000	3,000	2,223	777
Postage	1,600	1,600	583	1,017
Communications	19,000	19,000	17,417	1,583
Printing and Publishing	2,000	2,000	1,565	435
Membership and Dues	600	600	334	266
Training	3,000	3,000	248	2,752
Insurance and Bonds	13,000	11,000	10,206	794
Miscellaneous	500	1,500	1,235	265
Office Supplies	5,000	5,000	2,700	2,300
Department Supplies	1,500	1,500	1,065	435
Equipment - Office	2,500	5,000	4,730	270
Furniture and Fixtures	2,000	2,000	-	2,000
Information Systems	19,500	19,500	18,529	971
Tourism	15,000	15,000	9,300	5,700
Finance Total Expenses	<u>332,150</u>	<u>326,150</u>	<u>269,774</u>	<u>56,376</u>
Building				
Building Repairs	45,000	20,000	7,483	12,517
Equipment Rental and Service	55,000	65,000	59,892	5,108
Professional Services	3,500	6,000	5,257	743
Independent Contractor	24,500	24,500	23,338	1,162
Utilities	65,000	65,000	55,696	9,304
Janitorial Supplies	2,000	2,500	2,309	191
Fuels	1,000	1,000	-	1,000
Equipment	-	-	-	-
Furniture and Fixtures	-	-	-	-
Building Total Expenses	<u>196,000</u>	<u>184,000</u>	<u>153,975</u>	<u>30,025</u>
Legal				
Legal	175,000	175,000	106,889	68,111
Legal Total Expenses	<u>\$ 175,000</u>	<u>\$ 175,000</u>	<u>\$ 106,889</u>	<u>\$ 68,111</u>

CITY OF WATERLOO, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET TO ACTUAL - GENERAL FUND  
YEAR ENDED APRIL 30, 2023

	BUDGETED AMOUNTS		ACTUAL AMOUNTS (BUDGETARY BASIS)	VARIANCE
				WITH FINAL BUDGET- POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
Zoning/Building Inspector				
Planning Commission	\$ 9,350	\$ 9,000	\$ 6,190	\$ 2,810
Zoning Board	9,350	9,000	6,950	2,050
Zoning Officer	80,000	80,000	78,748	1,252
Building Inspector	58,500	58,500	57,459	1,041
Part-Time Salaries	-	-	-	-
Sick Leave	4,000	4,500	4,308	192
Vacation Leave	8,000	8,000	6,253	1,747
Health Insurance	61,300	61,300	58,024	3,276
Health Insurance Reimbursement	8,000	10,000	5,392	4,608
Unemployment Insurance	350	350	322	28
FICA	13,000	13,000	12,261	739
IMRF	12,000	12,000	10,709	1,291
Vehicle Maintenance and Repair	2,500	3,500	3,381	119
Professional Services	40,000	50,000	31,460	18,540
Postage	100	100	50	50
Communications	1,200	1,200	941	259
Printing and Publishing	200	200	-	200
Membership and Dues	200	200	191	9
Training	3,000	1,000	679	321
Books and Publications	500	500	-	500
Insurance and Bonds	7,000	7,000	6,060	940
Miscellaneous	500	500	-	500
Office Supplies	2,000	3,000	3,340	(340)
Vehicle Fuel and Lube	1,500	4,000	3,549	451
Equipment - Office	2,000	-	-	-
Equipment - Vehicle	-	-	-	-
Information Systems	1,500	2,000	490	1,510
Zoning/Building Inspector				
Total Expenses	\$ 326,050	\$ 338,850	\$ 296,757	\$ 42,093

CITY OF WATERLOO, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET TO ACTUAL - GENERAL FUND  
YEAR ENDED APRIL 30, 2023

	BUDGETED AMOUNTS		ACTUAL AMOUNTS (BUDGETARY BASIS)	VARIANCE
				WITH FINAL BUDGET- POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
Records				
Deputy City Clerk	\$ 57,000	\$ 57,000	\$ 55,373	\$ 1,627
Over-Time Salaries	500	500	253	247
Sick Leave	2,000	3,000	2,968	32
Vacation Leave	7,000	7,500	6,667	833
City Clerk	19,000	19,000	18,324	676
Health Insurance	13,000	13,000	12,426	574
Health Insurance Reimbursement	4,600	4,600	787	3,813
Unemployment Insurance	100	200	113	87
FICA	6,400	6,400	6,173	227
IMRF	5,500	5,500	4,739	761
Clothing Allowance	300	300	263	37
Equipment Repairs	200	200	-	200
Professional Services	5,000	5,000	1,030	3,970
Postage	100	100	50	50
Printing and Publishing	5,000	5,000	4,521	479
Membership and Dues	100	100	-	100
Training	3,500	500	-	500
Books and Publications	100	100	-	100
Insurance and Bonds	500	500	230	270
Recording Fees	1,500	1,500	567	933
Miscellaneous	100	100	-	100
Office Supplies	500	500	-	500
Equipment - office	500	500	-	500
Information systems	500	500	-	500
Records Total Expenses	<u>\$ 133,000</u>	<u>\$ 131,600</u>	<u>\$ 114,484</u>	<u>\$ 17,116</u>

CITY OF WATERLOO, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET TO ACTUAL - GENERAL FUND  
YEAR ENDED APRIL 30, 2023

	BUDGETED AMOUNTS		ACTUAL AMOUNTS (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
	Police			
Regular Salaries	\$ 1,430,000	\$ 1,430,000	\$ 1,305,802	\$ 124,198
Part-Time Salaries	29,000	29,000	25,915	3,085
PEDA Salaries	-	-	-	-
Over-Time Salaries	50,000	125,000	125,584	(584)
Sick Leave	50,000	54,000	51,499	2,501
Vacation Leave	90,000	110,000	93,067	16,933
Holiday	110,000	110,000	103,105	6,895
Health Insurance	365,000	365,000	339,961	25,039
Health Insurance Reimbursement	40,000	50,000	41,644	8,356
Unemployment Insurance	2,000	2,500	2,335	165
FICA	134,000	134,000	125,380	8,620
IMRF	5,200	5,200	4,564	636
Clothing Allowance	15,000	25,000	16,856	8,144
Vehicle Maintenance and Repair	20,000	20,000	19,400	600
Equipment Rental and Service	3,000	4,000	2,570	1,430
Postage	500	500	200	300
Communications	233,000	250,000	247,420	2,580
Printing and Publishing	1,000	1,000	816	184
Membership and Dues	14,000	14,000	12,123	1,877
Training	15,000	10,000	5,674	4,326
Books and Publications	1,000	500	-	500
Insurance and Bonds	110,000	111,200	110,998	202
Miscellaneous	3,000	3,000	2,600	400
Office Supplies	5,000	5,000	1,310	3,690
Department Supplies	6,500	6,500	5,108	1,392
Vehicle Fuel and Lube	45,000	60,000	58,194	1,806
Ammunition	9,000	9,000	4,639	4,361
Canine	5,000	5,000	772	4,228
Equipment - Office	8,500	8,500	2,272	6,228
Equipment - New	30,000	75,000	70,602	4,398
Equipment - Vehicle	145,000	160,500	149,907	10,593
Information Systems	57,000	57,000	51,877	5,123
Community Relations	3,500	5,500	5,069	431
DARE Fund	4,000	4,000	3,420	580
DUI Fund	8,000	8,000	655	7,345
Explorer Program	1,500	1,500	205	1,295
Police Total Expenses	<u>\$ 3,048,700</u>	<u>\$ 3,259,400</u>	<u>\$ 2,991,543</u>	<u>\$ 267,857</u>

CITY OF WATERLOO, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET TO ACTUAL - GENERAL FUND  
YEAR ENDED APRIL 30, 2023

	BUDGETED AMOUNTS		ACTUAL AMOUNTS (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
Emergency Management Agency				
ESDA Coordinator	\$ 6,000	\$ 6,000	\$ 5,760	\$ 240
Unemployment Insurance	100	100	44	56
FICA	500	500	441	59
IMRF	-	-	-	-
Vehicle Maintenance and Repair	-	-	-	-
Postage	100	100	50	50
Communications	300	1,000	653	347
Training	200	200	-	200
Vehicle Fuel and Lube	-	-	-	-
Equipment - New	-	-	2,011	(2,011)
Emergency Management Agency Total Expenses	<u>7,200</u>	<u>7,900</u>	<u>8,959</u>	<u>(1,059)</u>
Police Commission				
Legal	1,000	1,000	-	1,000
Officer Candidates Testing	1,000	1,000	-	1,000
Testing for Officer Hiring	5,000	10,000	7,855	2,145
Printing and Publishing	200	200	93	107
Membership and Dues	400	-	-	-
Training	2,000	-	-	-
Office Supplies	100	100	-	100
Police Commission Total Expenses	<u>9,700</u>	<u>12,300</u>	<u>7,948</u>	<u>4,352</u>
Health and Ordinance				
Postage	100	100	50	50
Miscellaneous	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Health and Ordinance Total Expenses	<u>\$ 1,100</u>	<u>\$ 100</u>	<u>\$ 50</u>	<u>\$ 50</u>

CITY OF WATERLOO, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET TO ACTUAL - GENERAL FUND  
YEAR ENDED APRIL 30, 2023

	BUDGETED AMOUNTS		ACTUAL AMOUNTS (BUDGETARY BASIS)	VARIANCE
				WITH FINAL BUDGET- POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
Social Services				
Community Relations Coordinator	\$ 59,000	\$ 59,000	\$ 56,170	\$ 2,830
Sick Leave	1,500	1,500	1,645	(145)
Vacation Leave	4,000	5,500	5,496	4
Health Insurance	31,000	31,000	29,267	1,733
Health Insurance Reimbursement	2,000	2,000	-	2,000
Unemployment Insurance	100	150	113	37
FICA	4,900	4,900	4,753	147
IMRF	5,500	5,500	4,611	889
Communications	1,000	1,000	677	323
Printing and Publishing	100	-	-	-
Training	1,000	1,500	1,302	198
Books and Publications	50	50	30	20
Street Lighting	70,000	70,000	69,132	868
Refuse	900,000	900,000	894,642	5,358
Insurance and Bonds	1,400	1,400	1,069	331
Miscellaneous	150	150	-	150
Office Supplies	3,000	3,500	2,909	591
Office Equipment	2,000	3,500	3,240	260
Information Systems	3,500	4,000	3,694	306
Community Relations	26,000	30,000	17,576	12,424
Contribution Sr. Citizens	7,500	7,500	7,500	-
Sister Cities Program	600	600	310	290
Downtown Enhancement	190,000	190,000	153,631	36,369
Social Services Total Expenses	<u>\$ 1,314,300</u>	<u>\$ 1,322,750</u>	<u>\$ 1,257,767</u>	<u>\$ 64,983</u>



CITY OF WATERLOO, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET TO ACTUAL - GENERAL FUND  
YEAR ENDED APRIL 30, 2023

	BUDGETED AMOUNTS		ACTUAL	VARIANCE
	ORIGINAL	FINAL	AMOUNTS	WITH FINAL
			(BUDGETARY	BUDGET-
			BASIS)	POSITIVE
				(NEGATIVE)
Streets and Alleys				
Regular Salaries	\$ 445,000	\$ 435,000	\$ 424,857	\$ 10,143
Part-Time Salaries	8,000	8,000	351	7,649
Over-Time Salaries	25,000	25,000	9,050	15,950
Sick Leave	12,000	12,000	9,164	2,836
Vacation Leave	25,000	30,000	33,667	(3,667)
Interdepartmental Salaries	15,000	10,000	3,722	6,278
Health Insurance	116,000	90,000	83,738	6,262
Health Insurance Reimbursement	15,000	17,000	9,425	7,575
Unemployment Insurance	700	800	723	77
FICA	40,000	40,000	35,561	4,439
IMRF	43,000	43,000	34,862	8,138
Clothing Allowance	8,319	8,319	2,144	6,175
Building Repairs	5,000	7,000	6,951	49
Equipment Repairs	50,000	100,000	93,088	6,912
Communications	2,000	3,600	3,503	97
Training	10,000	10,000	1,456	8,544
Utilities	19,000	20,000	19,707	293
Insurance and Bonds	45,000	52,000	51,667	333
Miscellaneous	10,000	10,000	5,840	4,160
Street Maintenance and Repair	50,000	50,000	18,685	31,315
Street Signs	5,000	7,000	6,882	118
Construction Materials	40,000	40,000	39,562	438
Department Supplies	10,000	12,000	9,483	2,517
Tools	5,000	5,000	4,915	85
Janitorial Supplies	3,000	3,000	2,809	191
Vehicle Fuel and Lube	35,000	55,000	53,939	1,061
Safety Materials	10,000	10,000	7,057	2,943
Land	-	-	-	-
Building Improvements	1,000	1,000	-	1,000
Equipment	12,000	16,500	13,285	3,215
Equipment - Office	1,500	3,000	2,997	3
Equipment Leases	5,000	7,000	6,823	177
Equipment - Vehicle	350,000	352,000	351,944	56
Street Improvements	150,000	225,000	222,620	2,380
Other Improvements - Storm Drains	100,000	50,000	46,042	3,958
Capital Projects	5,589,000	4,000,000	2,686,223	1,313,777
Streets and Alleys Total Expenses	7,260,519	5,758,219	4,302,742	1,455,477
Total Expenditures (Carried Forward)	\$ 13,190,269	\$ 11,888,319	\$ 9,855,751	\$ 2,032,568

CITY OF WATERLOO, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET TO ACTUAL - GENERAL FUND  
YEAR ENDED APRIL 30, 2023

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u> <u>AMOUNTS</u> <u>(BUDGETARY</u>	<u>VARIANCE</u> <u>WITH FINAL</u> <u>BUDGET-</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>BASIS)</u>	<u>POSITIVE</u> <u>(NEGATIVE)</u>
Total Expenditures (Brought Forward)	<u>\$ 13,190,269</u>	<u>\$ 11,888,319</u>	<u>\$ 9,855,751</u>	<u>\$ 2,032,568</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (5,221,189)</u>	<u>\$ (3,136,039)</u>	<u>(974,220)</u>	<u>\$ 2,161,819</u>
Reconciliation of Budgetary Basis to Government Fund Statement of Changes in Fund Balance:				
Effect of Unrecorded Assets			(26,411)	
Effect of Unrecorded Liabilities			<u>703,079</u>	
Excess (Deficiency) of Revenues Over Expenses			(297,552)	
BEGINNING FUND BALANCE			<u>9,506,584</u>	
ENDING FUND BALANCE			<u>\$ 9,209,032</u>	

CITY OF WATERLOO, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET TO ACTUAL - LIBRARY FUND  
YEAR ENDED APRIL 30, 2023

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>AMOUNTS</u> <u>(BUDGETARY</u> <u>BASIS)</u>	<u>WITH FINAL</u> <u>BUDGET-</u> <u>POSITIVE</u> <u>(NEGATIVE)</u>
<b>REVENUE:</b>				
City Library Tax	\$ 435,000	\$ 435,000	\$ 427,918	\$ (7,082)
City Building & Maintenance Tax	58,000	58,000	57,069	(931)
City IMRF/FICA Tax	15,300	15,300	15,259	(41)
LTC Grant	750	750	-	(750)
Illinois Humanities Grant	-	-	-	-
Dollar General Literacy Grant	-	-	3,000	3,000
License Plate Sticker Fees	-	-	675	675
Expanding Digital Inclusion Grant	-	-	26,000	26,000
State Replacement Tax	30,000	30,000	106,528	76,528
Per Capita Grant	16,039	16,039	16,244	205
Interest	625	625	1,031	406
Non-Resident Fees	10,000	10,000	14,730	4,730
Replacement Cards	50	50	5	(45)
Fax Fees	1,500	1,500	1,383	(117)
Photocopies/Printouts	5,000	5,000	5,563	563
Fines Collected	1,000	1,000	222	(778)
Lost/Damaged Materials	1,000	1,000	1,721	721
Microform Copies	50	50	-	(50)
Miscellaneous Income	500	500	1,052	552
Programming Fees	500	500	4,007	3,507
Book Sales Receipts	-	-	26	26
Col. Morrison Home (interest/donations)	250	250	-	(250)
Refunds/Overcharges	50	50	-	(50)
Gifts/Donations	3,850	3,850	4,376	526
<b>Total Revenue</b>	<b>579,464</b>	<b>579,464</b>	<b>686,809</b>	<b>107,345</b>
<b>EXPENDITURES:</b>				
Website/Social Media	-	-	-	-
Repairs	-	-	-	-
Staff Salaries	280,961	280,961	239,260	(41,701)
Adult Print Materials	19,500	19,500	20,423	923
Juvenile Print Materials	6,500	6,500	9,718	3,218
Adult Nonprint Materials	8,500	8,500	7,729	(771)
Juvenile Nonprint Materials	1,000	1,000	4,324	3,324
Adult Databases	12,900	12,900	11,221	(1,679)
Juvenile Databases	1,500	1,500	1,601	101
<b>Sub Total (Carried Forward)</b>	<b>\$ 330,861</b>	<b>\$ 330,861</b>	<b>\$ 294,276</b>	<b>\$ (36,585)</b>

CITY OF WATERLOO, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET TO ACTUAL - LIBRARY FUND  
YEAR ENDED APRIL 30, 2023

	BUDGETED AMOUNTS		ACTUAL AMOUNTS (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
Sub Total (Brought Forward)	\$ 330,861	\$ 330,861	\$ 294,276	\$ (36,585)
Genealogy Print Materials	100	100	116	16
Genealogy Nonprint Materials	50	50	54	4
Genealogy Databases	3,100	3,100	3,127	27
City Utilities-MTL	20,500	20,500	16,453	(4,047)
Trash Disposal	650	650	704	54
Telephone	3,600	3,600	3,473	(127)
Postage	350	350	599	249
Lost/Damaged Materials	250	250	254	4
Travel Expense/Mileage	-	-	743	743
Continuing Education	1,500	1,500	1,735	235
Miscellaneous Expenses	3,192	3,192	4,614	1,422
Dues & Fees	550	550	-	(550)
Legal Fees	500	500	140	(360)
Accounting Fees	600	600	540	(60)
Cleaning Services	18,500	18,500	19,872	1,372
Lawn Maintenance	5,500	5,500	4,297	(1,203)
HVAC Maintenance & Repair	4,000	4,000	24,241	20,241
MTL General Maintenance & Repair	5,000	5,000	6,213	1,213
Photocopier Service Contracts	1,600	1,600	2,058	458
Computer Service Contracts	10,500	10,500	9,948	(552)
Security System	1,250	1,250	2,271	1,021
Elevator Service Contract	3,750	3,750	3,464	(286)
Liability, Umbrella Premium	4,500	4,500	3,726	(774)
Surety Bond	750	750	461	(289)
Workers' Compensation	550	550	339	(211)
Employee Health Insurance	47,550	47,550	28,365	(19,185)
HRA Fees & Reimbursements	11,920	11,920	5,061	(6,859)
Computer Supplies	-	-	1,393	1,393
Office Supplies	-	-	770	770
Maintenance Supplies	50	50	-	(50)
Genealogy Supplies	50	50	-	(50)
Library Supplies	6,000	6,000	8,002	2,002
Promotional Materials	500	500	-	(500)
Summer Reading Program	1,500	1,500	956	(544)
Programming Expenses	3,000	3,000	12,122	9,122
Public Relations	500	500	328	(172)
Advertising	-	-	223	223
GateNet Online Charges	9,000	9,000	8,981	(19)
Sub Total (Carried Forward)	501,773	501,773	469,919	(31,854)

CITY OF WATERLOO, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET TO ACTUAL - LIBRARY FUND  
YEAR ENDED APRIL 30, 2023

	BUDGETED AMOUNTS		ACTUAL	VARIANCE
	ORIGINAL	FINAL	AMOUNTS (BUDGETARY BASIS)	WITH FINAL BUDGET- POSITIVE (NEGATIVE)
Sub Total (Brought Forward)	\$ 501,773	\$ 501,773	\$ 469,919	\$ (31,854)
Internet	850	850	770	(80)
OCLO Selective User	500	500	225	(275)
Furnishings	2,500	2,500	6,974	4,474
Office Equipment	-	-	-	-
Library Equipment	1,000	1,000	688	(312)
Computer Equipment	1,500	1,500	7,002	5,502
Maintenance Equipment	50	50	-	(50)
Parking Lot	2,400	2,400	2,400	-
Continuing Education - Grant	-	-	-	-
Adult Print - Grant	50	50	152	102
Juvenile Print - Grant	-	-	3,259	3,259
Capital Improvements	16,583	16,583	20,892	4,309
Computer Equipment - Grant	-	-	4,830	4,830
Contractual Services - Grant	-	-	-	-
Col. M - Utilities	3,500	3,500	5,696	2,196
Col. M - General Maintenance & Repair	2,000	2,000	27,413	25,413
Col. M - Furnishing & Equipment	2,000	2,000	-	(2,000)
Dues and Fees	-	-	1,315	1,315
Website/Social Media Expense	1,250	1,250	1,325	75
Hotspot Services	-	-	540	540
Cyber Liability Premium	-	-	435	435
Outreach Services	1,000	1,000	245	(755)
Architectural Fees	1,200	1,200	-	(1,200)
Interlibrary Loan Charges	5	5	-	(5)
Book Binding	5	5	-	(5)
Shipping & Handling	5	5	-	(5)
Microfilm Reader/Printer	25	25	-	(25)
Adult Non-Print - Grant	-	-	581	581
Juvenile Non-Print - Grant	-	-	1,392	1,392
Miscellaneous Costs - Grant	-	-	3,826	3,826
Supplies - Grant	-	-	370	370
Equipment - Grant	-	-	5,058	5,058
Computer Supplies - Grant	-	-	411	411
Promotional Materials - Grant	-	-	4,390	4,390
Travel - Grant	-	-	84	84
Sub Total (Carried Forward)	538,196	538,196	570,192	31,996

CITY OF WATERLOO, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET TO ACTUAL - LIBRARY FUND  
YEAR ENDED APRIL 30, 2023

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>AMOUNTS</u> <u>(BUDGETARY</u> <u>BASIS)</u>	<u>WITH FINAL</u> <u>BUDGET-</u> <u>POSITIVE</u> <u>(NEGATIVE)</u>
Sub Total (Brought Forward)	\$ 538,196	\$ 538,196	\$ 570,192	\$ 31,996
Payroll Taxes	21,494	21,494	18,303	(3,191)
Illinois State Unemployment Tax	1,108	1,108	965	(143)
IMRF	18,666	18,666	14,940	(3,726)
Other	-	-	7,724	7,724
Total Expenditures	<u>579,464</u>	<u>579,464</u>	<u>612,124</u>	<u>32,660</u>
Excess of Revenues Over Expenditures	-	-	74,685	74,685
OTHER FINANCING (USES):				
Transfers (Out)	-	-	-	-
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>74,685</u>	<u>\$ 74,685</u>
Excess (Deficiency) of Revenues Over Expenses			74,685	
BEGINNING FUND BALANCE			<u>839,289</u>	
ENDING FUND BALANCE			<u>\$ 913,974</u>	

CITY OF WATERLOO, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET TO ACTUAL - UTILITY TAX FUND  
YEAR ENDED APRIL 30, 2023

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS (BUDGETARY BASIS)</u>	<u>VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUE:</b>				
City Utility Tax	\$ 235,000	\$ 300,000	\$ 293,562	\$ (6,438)
Other Utility Tax	26,000	28,000	27,027	(973)
Electric Municipal Tax	307,000	313,000	308,194	(4,806)
Utility Bill Adjustment	(2,000)	(2,000)	(94)	1,906
Interest Income	3,300	4,100	3,881	(219)
Investment Income	-	19,000	11,720	(7,280)
	<u>569,300</u>	<u>662,100</u>	<u>644,290</u>	<u>(17,810)</u>
<b>EXPENDITURES:</b>				
Bad Debt Expense	2,000	2,000	392	1,608
Customer Refunds	200	200	13	187
Capital Projects	-	-	-	-
	<u>2,200</u>	<u>2,200</u>	<u>405</u>	<u>1,795</u>
Excess of Revenues Over Expenditures	567,100	659,900	643,885	(16,015)
<b>OTHER FINANCING (USES):</b>				
Transfers (Out)	-	-	-	-
Net Change in Fund Balance	<u>\$ 567,100</u>	<u>\$ 659,900</u>	<u>643,885</u>	<u>\$ (16,015)</u>
<b>Reconciliation of Budgetary Basis to Government Fund Statement of Changes in Fund Balance:</b>				
Effect of Unrecorded Assets			(48)	
Effect of Unrecorded Liabilities			13	
Excess (Deficiency) of Revenues Over Expenses			643,850	
BEGINNING FUND BALANCE			<u>1,449,439</u>	
ENDING FUND BALANCE			<u>\$ 2,093,289</u>	

CITY OF WATERLOO, ILLINOIS  
NOTES TO BUDGETARY COMPARISON SCHEDULES  
YEAR ENDED APRIL 30, 2023

Budget Policy and Practice

The City Collector - Budget Officer submits an annual budget to the City Council for review and public hearings are held to address priorities and the allocation of resources. In April of the prior fiscal year (2022), the City Council adopted the annual fiscal year budget for the City operating funds. Once approved, the City Council may amend the legally adopted budget when unexpected modifications are required in estimated revenues and appropriations.

Basis of Budgeting

Each fund's appropriated budget is prepared on a detailed line item basis. Revenues are budgeted by source.

The budgets for the operating funds are prepared on the cash basis. Revenues are budgeted in the year receipt is expected and expenditures are budgeted in the year expected to be paid. Appropriations lapse at year-end.

The City adopted its annual budget for the fiscal year ended April 30, 2023 on April 18, 2022 and it was amended on April 17, 2023.



**OTHER SUPPLEMENTAL INFORMATION**

CITY OF WATERLOO, ILLINOIS  
COMBINING BALANCE SHEET - GENERAL FUND  
YEAR ENDED APRIL 30, 2023

<u>ASSETS</u>	<u>GENERAL</u>	<u>UTILITY TAX FUND</u>	<u>TOTAL</u>
Cash and Cash Equivalents	\$ 8,303,036	\$ 520,377	\$ 8,823,413
Investments	-	1,486,903	1,486,903
Taxes Receivable	1,134,418	-	1,134,418
Accounts Receivable, Net	218,772	86,103	304,875
Due from Other Funds	14,803	-	14,803
Prepays	122,976	-	122,976
Real Estate Taxes Receivable, Net	<u>1,030,878</u>	<u>-</u>	<u>1,030,878</u>
 Total Assets	 <u>\$ 10,824,883</u>	 <u>\$ 2,093,383</u>	 <u>\$ 12,918,266</u>
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</u>			
LIABILITIES:			
Accounts Payable	\$ 531,416	\$ 94	\$ 531,510
Wage and Benefits Payable	<u>53,557</u>	<u>-</u>	<u>53,557</u>
 Total Liabilities	 <u>584,973</u>	 <u>94</u>	 <u>585,067</u>
DEFERRED INFLOWS OF RESOURCES:			
Unavailable Revenue - Property Taxes	<u>1,030,878</u>	<u>-</u>	<u>1,030,878</u>
 Total Deferred Inflows of Resources	 <u>1,030,878</u>	 <u>-</u>	 <u>1,030,878</u>
FUND BALANCE:			
Nonspendable			
Prepays	122,976	-	122,976
Restricted for:			
Hotel/Motel Tax	155,886	-	155,886
Committed for:			
IMRF Pension Plan	454,045	-	454,045
Capital Improvements	-	2,093,289	2,093,289
Unassigned:			
General Fund	<u>8,476,125</u>	<u>-</u>	<u>8,476,125</u>
 Total Fund Balance	 <u>9,209,032</u>	 <u>2,093,289</u>	 <u>11,302,321</u>
 Total Liabilities, Deferred Inflows of Resources and Fund Balance	 <u>\$ 10,824,883</u>	 <u>\$ 2,093,383</u>	 <u>\$ 12,918,266</u>

CITY OF WATERLOO, ILLINOIS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
GENERAL FUND  
YEAR ENDED APRIL 30, 2023

	GENERAL	UTILITY TAX FUND	TOTAL
<b>REVENUES:</b>			
Taxes - Real Estate	\$ 1,010,919	\$ -	\$ 1,010,919
Intergovernmental	5,723,126	-	5,723,126
Utility Taxes	136,107	628,641	764,748
Charges for Services	1,878,792	-	1,878,792
Licenses and Permits	264,640	-	264,640
Fines	36,525	-	36,525
Grants	22,163	-	22,163
Miscellaneous	183,463	-	183,463
Interest	289,385	3,881	293,266
Investment Income	-	11,720	11,720
Total Revenues	<u>9,545,120</u>	<u>644,242</u>	<u>10,189,362</u>
<b>EXPENDITURES:</b>			
Current			
General Government	1,289,024	392	1,289,416
Public Safety	3,478,540	-	3,478,540
Highways and Streets	1,419,077	-	1,419,077
Sanitation	897,322	-	897,322
Health	50	-	50
Culture and Recreation	289,989	-	289,989
Capital Outlay	2,468,670	-	2,468,670
Total Expenditures	<u>9,842,672</u>	<u>392</u>	<u>9,843,064</u>
Excess (Deficiency) of Revenues Over Expenditures	(297,552)	643,850	346,298
Other Financing (Uses)			
Transfers (Out)	-	-	-
Net Change in Fund Balance	(297,552)	643,850	346,298
Fund Balance, Beginning of Year	<u>9,506,584</u>	<u>1,449,439</u>	<u>10,956,023</u>
Fund Balance, End of Year	<u>\$ 9,209,032</u>	<u>\$ 2,093,289</u>	<u>\$ 11,302,321</u>

CITY OF WATERLOO, ILLINOIS  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
YEAR ENDED APRIL 30, 2023

<u>ASSETS</u>	<u>MOTOR FUEL TAX</u>	<u>MUNICIPAL BAND FUND</u>	<u>TOTAL</u>
Cash in Bank	\$ 1,435,254	\$ 31,887	\$ 1,467,141
Taxes Receivable	39,127	-	39,127
Real Estate Taxes Receivable, Net	<u>-</u>	<u>29,986</u>	<u>29,986</u>
Total Assets	<u>\$ 1,474,381</u>	<u>\$ 61,873</u>	<u>\$ 1,536,254</u>
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>  			
LIABILITIES:			
Due to Other Funds	<u>\$ 14,803</u>	<u>\$ -</u>	<u>\$ 14,803</u>
Total Liabilities	<u>14,803</u>	<u>-</u>	<u>14,803</u>
DEFERRED INFLOWS OF RESOURCES:			
Unavailable Revenue - Property Taxes	<u>-</u>	<u>29,986</u>	<u>29,986</u>
Total Deferred Inflows of Resources	<u>-</u>	<u>29,986</u>	<u>29,986</u>
FUND BALANCES:			
Restricted for:			
Culture and Recreation	-	31,887	31,887
Motor Fuel Tax	<u>1,459,578</u>	<u>-</u>	<u>1,459,578</u>
Total Fund Balances	<u>1,459,578</u>	<u>31,887</u>	<u>1,491,465</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 1,474,381</u>	<u>\$ 61,873</u>	<u>\$ 1,536,254</u>

CITY OF WATERLOO, ILLINOIS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
NON-MAJOR GOVERNMENTAL FUNDS  
YEAR ENDED APRIL 30, 2023

	MOTOR FUEL TAX	MUNICIPAL BAND FUND	TOTAL
REVENUES:			
Taxes - Real Estate	\$ -	\$ 27,745	\$ 27,745
Intergovernmental	567,095	-	567,095
Miscellaneous	-	3,650	3,650
Interest	56,730	-	56,730
	<u>623,825</u>	<u>31,395</u>	<u>655,220</u>
EXPENDITURES:			
Highways and Streets	1,041,045	-	1,041,045
Culture and Recreation	-	33,689	33,689
	<u>1,041,045</u>	<u>33,689</u>	<u>1,074,734</u>
Excess (Deficiency) of Revenues Over Expenditures	(417,220)	(2,294)	(419,514)
FUND BALANCE - BEGINNING OF YEAR	<u>1,876,798</u>	<u>34,181</u>	<u>1,910,979</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,459,578</u>	<u>\$ 31,887</u>	<u>\$ 1,491,465</u>

CITY OF WATERLOO, ILLINOIS  
SCHEDULES OF EXPENDITURES - GENERAL FUND  
YEAR ENDED APRIL 30, 2023  
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2022)

	<u>2023</u>	<u>2022</u>
General Government		
Legal		
Legal Fees	\$ 107,303	\$ 77,096
Total Legal	<u>107,303</u>	<u>77,096</u>
City Clerk		
Salaries - City Clerk	18,324	17,680
Salaries - Deputy City Clerk	55,439	57,642
Salaries - Overtime		447
Salaries - Sick Leave	3,222	1,033
Salaries - Vacation Leave	6,667	6,578
FICA	6,173	6,206
IMRF	4,739	6,118
Group Hospital Insurance	12,426	12,030
Health Insurance Reimbursement	787	2,663
Unemployment Tax	113	100
Clothing Allowance	263	526
Postage	50	100
Printing and Publishing	4,180	4,911
Memberships and Dues	-	(30)
Recording Fees	567	1,095
Insurance and Bonds	268	293
Office Supplies	-	14
Professional Services	1,245	3,664
Miscellaneous	-	10
Total City Clerk	<u>114,463</u>	<u>121,080</u>
Legislation		
Salaries - Mayor	24,599	25,422
Salaries - Alderman	126,929	129,478
FICA	11,451	11,850
Memberships and Dues	14,600	14,600
Professional Services	41,329	41,267
Office Supplies	11	-
Miscellaneous	8,456	9,704
Insurance and Bonds	474	395
Bad Debts	711	932
Books and Publications	8,013	6,937
Training	2,183	4,703
Communications	2,243	3,310
Sales Tax Rebate	101,351	105,542
Total Legislation	<u>342,350</u>	<u>354,140</u>
Sub-Total General Government (Carried Forward)	<u>\$ 564,116</u>	<u>\$ 552,316</u>

CITY OF WATERLOO, ILLINOIS  
SCHEDULES OF EXPENDITURES - GENERAL FUND  
YEAR ENDED APRIL 30, 2023  
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2022)

	<u>2023</u>	<u>2022</u>
Sub-Total General Government (Brought Forward)	\$ 564,116	\$ 552,316
General Government (Continued)		
Zoning		
Planning Commission	6,190	6,630
Zoning Board	6,950	6,830
Salaries - Zoning Officer	78,811	74,976
Salaries - Building Inspector	57,506	32,461
Salaries - Part-Time	-	-
Salaries - Sick Leave	4,308	2,760
Salaries - Vacation Leave	6,253	6,837
FICA	12,261	9,717
IMRF	10,709	10,632
Group Hospital Insurance	58,024	46,649
Health Insurance Reimbursement	5,392	9,992
Unemployment Tax	322	376
Books & Publications	-	1,293
Postage	50	100
Memberships and Dues	191	-
Professional Services	32,589	14,502
Vehicle Maintenance and Repair	3,402	2,474
Training	679	435
Office Supplies	3,340	2,185
Insurance and Bonds	6,326	7,637
Communications	969	859
Vehicle Fuel and Lubrications	3,550	1,825
Miscellaneous	598	146
Information Systems	490	1,200
Total Zoning	<u>298,910</u>	<u>240,516</u>
Sub-Total General Government (Carried Forward)	<u>\$ 863,026</u>	<u>\$ 792,832</u>

CITY OF WATERLOO, ILLINOIS  
SCHEDULES OF EXPENDITURES - GENERAL FUND  
YEAR ENDED APRIL 30, 2023  
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2022)

	<u>2023</u>	<u>2022</u>
Sub-Total General Government (Brought Forward)	\$ 863,026	\$ 792,832
General Government (Continued)		
Finance		
Salaries - Treasurer	9,117	8,234
Salaries - Director of Public Works	27,658	26,362
Salaries - Finance Director	22,478	21,338
Salaries - Clerical	62,296	67,420
Salaries - Human Resource	6,921	11,189
Salaries - Overtime	134	2
Salaries - Part-Time	4,524	1,367
Salaries - Sick Leave	3,496	3,755
Salaries - Vacation Leave	11,279	12,132
FICA	11,071	11,457
IMRF	9,704	13,080
Group Hospital Insurance	14,619	13,606
Health Insurance Reimbursement	12,091	12,968
Unemployment	196	192
Dues and Memberships	334	319
Insurance and Bonds	11,278	10,508
Communications and Dispatch	17,450	17,595
Equipment Rental and Service	1,967	1,558
Training	248	371
Clothing Allowance	1,305	3,197
Office Supplies	2,662	3,292
Postage	539	1,151
Equipment	110	138
Tourism	9,109	12,831
Professional Services	2,223	2,276
Miscellaneous	1,235	80
Printing and Publishing	1,565	1,277
Department Supplies	1,091	1,182
Bank Charges	948	816
Information Systems	18,215	12,874
Total Finance	<u>265,863</u>	<u>272,567</u>
Building		
Building Repairs	14,183	19,970
Equipment Rental and Service	55,060	13,291
Professional Services	5,362	3,220
Independent Contractors	23,354	22,889
Utilities	60,048	56,590
Janitorial Supplies	2,128	1,389
Fuels	-	-
Equipment	-	-
Total Building	<u>160,135</u>	<u>117,349</u>
Total General Government	<u>\$ 1,289,024</u>	<u>\$ 1,182,748</u>



CITY OF WATERLOO, ILLINOIS  
SCHEDULES OF EXPENDITURES - GENERAL FUND  
YEAR ENDED APRIL 30, 2023  
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2022)

	<u>2023</u>	<u>2022</u>
Public Safety		
Police		
Salaries - Regular	\$ 1,309,914	\$ 1,350,792
Salaries - Part-Time	25,896	24,892
Salaries - Overtime	125,584	47,501
Salaries - Sick Leave	51,499	41,004
Salaries - Vacation Leave	93,067	95,264
Salaries - Holiday	103,105	107,204
FICA	125,380	122,462
IMRF	4,564	5,921
Pension	690,000	654,000
Group Hospital Insurance	339,960	321,362
Health Insurance Reimbursement	41,644	54,085
Unemployment Tax	2,335	2,259
Insurance and Bonds	106,495	98,552
Communication and Dispatch	250,148	221,533
Training	5,702	7,460
Equipment Rental and Service	2,570	1,648
Vehicle Maintenance and Repairs	18,630	14,076
Memberships and Dues	12,123	11,998
Community Services Programs	8,397	4,509
Office Supplies	1,397	1,410
Postage	200	437
Ammunition	4,639	2,530
Clothing Allowance	16,877	14,876
Vehicle Fuel and Lubrications	57,765	46,366
Information Systems	52,269	49,431
Department Supplies	5,093	6,393
Canine	699	19,731
Printing and Publishing	816	472
Miscellaneous	2,418	2,552
Books and Publications	-	150
DUI Fund	655	5,484
Equipment - New	1,722	3,158
Equipment - Office	642	1,806
Equipment - Vehicle	-	-
Total Police	<u>3,462,205</u>	<u>3,341,318</u>
Sub-Total Public Safety (Carried Forward)	<u>\$ 3,462,205</u>	<u>\$ 3,341,318</u>

CITY OF WATERLOO, ILLINOIS  
SCHEDULES OF EXPENDITURES - GENERAL FUND  
YEAR ENDED APRIL 30, 2023  
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2022)

	2023	2022
Sub-Total Public Safety (Brought Forward)	\$ 3,462,205	\$ 3,341,318
Public Safety (Continued)		
Police Commissioners		
Testing for Officer Hiring	8,060	5,683
Printing and Publishing	254	86
Training	-	-
Memberships and Dues	-	-
Total Police Commissioners	8,314	5,769
E.S.D.A.		
E.S.D.A. Coordinator	5,760	5,760
FICA	441	404
IMRF	-	-
Communications and Dispatch	720	208
Postage	50	100
Unemployment	44	36
Equipment - New	1,006	1,006
Total E.S.D.A.	8,021	7,514
Total Public Safety	\$ 3,478,540	\$ 3,354,601

CITY OF WATERLOO, ILLINOIS  
SCHEDULES OF EXPENDITURES - GENERAL FUND  
YEAR ENDED APRIL 30, 2023  
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2022)

	<u>2023</u>	<u>2022</u>
Highways and Streets		
Salaries - Regular	\$ 425,438	\$ 355,743
Salaries - Part-Time	(270)	420
Salaries - Overtime	9,050	8,466
Salaries - Sick Leave	9,164	10,767
Salaries - Vacation Leave	33,667	27,636
Salaries - Interdepartmental	3,722	9,553
FICA	35,561	30,471
IMRF	34,862	38,367
Group Hospital Insurance	83,738	67,972
Health Insurance Reimbursement	9,425	10,419
Unemployment Tax	723	546
Equipment Repairs	91,089	66,164
Building Repairs	6,951	3,080
Utilities	19,540	17,595
Insurance and Bonds	44,868	47,099
Communication and Dispatch	3,559	1,450
Training	1,231	712
Safety Materials	7,866	11,090
Janitorial Supplies	3,356	2,669
Clothing Allowance	2,144	2,355
Tools	4,915	3,813
Street Maintenance and Repairs	18,685	51,197
Construction Materials	44,818	38,851
Vehicle Fuel and Lubrications	60,720	36,379
Equipment	3,180	2,986
Equipment - Office	604	-
Equipment -Vehicle	-	588
Street Improvements	314,976	864,579
Storm Drains, Meter Repairs	46,042	14,381
Street Lights	69,136	69,124
Street Signs	7,876	3,075
Equipment Leases	6,823	3,597
Miscellaneous	5,840	4,202
Building Improvements	-	-
Supplies	9,778	8,626
Total Highways and Streets	<u>\$ 1,419,077</u>	<u>\$ 1,813,972</u>

CITY OF WATERLOO, ILLINOIS  
SCHEDULES OF EXPENDITURES - GENERAL FUND  
YEAR ENDED APRIL 30, 2023  
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2022)

	<u>2023</u>	<u>2022</u>
Sanitation		
Solid Waste Collection	\$ 897,322	\$ 864,185
Total Sanitation	<u>897,322</u>	<u>864,185</u>
Health		
Postage	<u>50</u>	<u>100</u>
Total Health	<u>50</u>	<u>100</u>
Cultural and Recreation		
Salaries - Community Relations Coordinator	56,217	55,436
Salaries - Sick Leave	1,645	974
Salaries - Vacation Leave	5,496	4,419
FICA	4,753	4,561
IMRF	4,611	5,667
Group Hospital Insurance	29,267	27,973
Unemployment Tax	113	100
Equipment Leases	-	-
Insurance and Bonds	1,101	1,056
Communication and Dispatch	664	732
Training	1,302	570
Office Supplies	2,925	1,108
Equipment	-	-
Books and Publications	30	30
Information Systems	3,694	3,002
Community Relations	17,576	17,617
Contributions - Senior Citizens	7,500	7,500
Downtown Enhancement	152,785	187,277
Sister Cities Programs	<u>310</u>	<u>310</u>
Total Cultural and Recreation	<u>289,989</u>	<u>318,332</u>
Capital Outlay		
General Government	7,859	9,413
Public Safety	220,416	150,979
Highways and Streets	<u>2,240,395</u>	<u>231,297</u>
Total Capital Outlay	<u>2,468,670</u>	<u>391,689</u>
Total Expenditures - General Fund	<u>\$ 9,842,672</u>	<u>\$ 7,925,627</u>

CITY OF WATERLOO, ILLINOIS  
SCHEDULES OF EXPENDITURES - PROPRIETARY FUND TYPES  
YEAR ENDED APRIL 30, 2023  
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2022)

Electric Fund	<u>2023</u>	<u>2022</u>
Cost of Sales		
Cost of Power	\$ 7,504,714	\$ 7,381,323
Salaries	269,054	263,837
FICA	19,525	19,113
IMRF	41,681	(53,980)
Group Hospital	65,304	73,517
Health Insurance Reimbursement	8,521	6,704
Unemployment	369	298
Professional Services	1,253	-
Communications	3,791	1,875
Safety Materials	1,624	916
E.P.A. Permits	2,820	2,820
Utilities	38,385	37,064
Clothing Allowances	3,564	5,190
Department Supplies	2,880	1,251
Tools	522	113
Vehicle Fuel and Lubrications	15,516	43,434
Chemicals	5,625	7,234
Training	1,096	763
Building Repairs	17,054	2,391
Utility System Maintenance	150,621	63,845
Equipment	1,374	870
Janitorial Supplies	6,253	3,710
Total Cost of Sales	<u>8,161,546</u>	<u>7,862,288</u>
Distribution		
Salaries	774,057	753,343
FICA	56,632	55,017
IMRF	118,791	(124,336)
Group Hospital	132,260	127,452
Health Insurance Reimbursement	12,714	16,820
Other Post Employee Benefit	42,825	7,004
Other - IMRF	(16,470)	(1,789)
Unemployment	902	1,109
Building Repairs	4,675	7,895
Machinery Repairs	35,120	39,212
Communications	7,555	5,511
Utilities	23,835	24,485
Clothing Allowances	2,192	9,995
Tools	12,399	5,117
Professional Services	16,212	15,891
Sub-Total (Carried Forward)	<u>\$ 1,223,699</u>	<u>\$ 942,726</u>

CITY OF WATERLOO, ILLINOIS  
SCHEDULES OF EXPENDITURES - PROPRIETARY FUND TYPES  
YEAR ENDED APRIL 30, 2023  
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2022)

	<u>2023</u>	<u>2022</u>
Sub-Total Carried Forward	\$ 1,223,699	\$ 942,726
Distribution (continued)		
Department Supplies	26,992	25,074
Safety Materials	7,380	6,952
Line Materials	223,120	180,703
Training	7,894	4,607
Miscellaneous	1,115	5,404
Street Light Materials	50,793	163,156
Equipment	3,576	2,173
Janitorial Supplies	191	1,523
PCB Program	2,962	11,629
Vehicle Fuel and Lubrication	23,932	17,594
Repairs and Maintenance	5,991	3,161
Total Distribution	<u>1,577,645</u>	<u>1,364,702</u>
Administrative		
Salaries	131,166	158,334
FICA	9,675	11,789
IMRF	20,111	(24,625)
Group Hospital	25,319	28,125
Health Insurance Reimbursement	4,538	4,253
Unemployment	189	187
Insurance and Bonds	123,408	118,685
Equipment Rentals	2,533	1,558
Postage	6,118	10,021
Printing and Publishing	1,565	1,277
Professional Services	35,413	50,595
Miscellaneous	1,514	2,041
Office Supplies	2,615	3,108
Information Systems	18,580	13,018
Training	1,501	1,429
Bad Debts	7,084	14,638
Equipment	111	138
Refunds	-	200
Administrative - General Fund	546,795	542,092
Total Administrative	<u>938,235</u>	<u>936,863</u>
Depreciation	<u>842,268</u>	<u>810,842</u>
	<u>842,268</u>	<u>810,842</u>
Total Operating Expenses - Electric Fund	<u>\$ 11,519,694</u>	<u>\$ 10,974,695</u>

CITY OF WATERLOO, ILLINOIS  
SCHEDULES OF EXPENDITURES - PROPRIETARY FUND TYPES  
YEAR ENDED APRIL 30, 2023  
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2022)

	<u>2023</u>	<u>2022</u>
Gas Fund		
Cost of Sales		
Gas Purchased	\$ 2,297,015	\$ 1,933,739
Total Cost of Sales	<u>2,297,015</u>	<u>1,933,739</u>
Distribution		
Salaries	476,050	\$ 458,178
FICA	35,328	32,979
IMRF	63,563	(70,962)
Group Hospital Insurance	80,346	77,320
Health Insurance Reimbursement	7,377	13,715
Other Post Employment Benefit	(39,432)	2,847
Other - IMRF	(6,011)	(2,484)
Unemployment	717	538
Repairs	11,737	28,728
Vehicle Fuel	26,130	14,339
Utilities	15,184	15,222
Communications	7,792	4,620
Training	5,985	2,353
Office Supplies	225	102
Chemicals	2,793	2,073
Line Materials	70,323	61,648
Safety Materials	4,036	6,094
Clothing Allowances	3,054	5,263
Department Supplies	3,748	2,781
Tools	4,544	2,361
Janitorial Supplies	168	-
Other Repairs and Maintenance	593	-
Equipment and Building	16,593	2,439
Total Distribution	<u>\$ 790,843</u>	<u>\$ 660,153</u>

CITY OF WATERLOO, ILLINOIS  
SCHEDULES OF EXPENDITURES - PROPRIETARY FUND TYPES  
YEAR ENDED APRIL 30, 2023  
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2022)

	<u>2023</u>	<u>2022</u>
Gas Fund (Continued)		
Administration		
Salaries	\$ 131,166	\$ 158,335
FICA	9,675	11,789
IMRF	20,111	(24,625)
Group Hospital Insurance	25,655	28,154
Health Insurance Reimbursement	4,538	4,253
Unemployment	188	187
Insurance and Bonds	33,656	35,481
Equipment Rentals	2,533	1,558
Office Supplies	2,582	3,247
Postage	6,061	10,041
Information Systems	18,580	13,018
Memberships and Dues	3,740	4,109
Miscellaneous	1,421	2,026
Printing and Publishing	1,565	1,277
Professional Services	39,194	47,556
Legal	-	-
Training	229	145
Bad Debts	1,133	1,757
Equipment	111	138
Refunds	-	-
Administration - General Fund	<u>178,221</u>	<u>148,873</u>
Total Administration	480,359	447,317
Depreciation	<u>228,565</u>	<u>207,373</u>
Total Operating Expenses - Gas Fund	<u>\$ 3,796,782</u>	<u>\$ 3,248,583</u>



CITY OF WATERLOO, ILLINOIS  
SCHEDULES OF EXPENDITURES - PROPRIETARY FUND TYPES  
YEAR ENDED APRIL 30, 2023  
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2022)

	<u>2023</u>	<u>2022</u>
Water Fund		
Cost of Sales		
Water Purchased	\$ 1,411,934	\$ 1,246,520
Total Cost of Sales	<u>1,411,934</u>	<u>1,246,520</u>
Distribution		
Salaries	182,475	182,788
FICA	13,335	13,175
IMRF	27,614	(34,571)
Group Hospital Insurance	31,186	29,860
Health Insurance Reimbursement	5,287	6,436
Other Post Employment Benefit	21,661	1,785
Other - IMRF	662	(457)
Unemployment	368	217
Repairs	28,100	14,764
Communications	6,691	4,121
Utilities	13,182	9,996
Miscellaneous	4,670	3,485
Department Supplies	2,514	1,884
Tools	1,886	2,077
Vehicle Fuel and Lubrications	4,465	4,305
Chemicals	5,567	3,553
Safety Materials	2,590	981
Repairs and Maintenance	64,763	52,374
Testing	7,016	7,213
Professional Services	1,775	72
Clothing Allowance	1,188	503
Training	3,572	663
Capital Projects	12,050	353
Total Distribution	<u>442,617</u>	<u>305,577</u>
Administration		
Salaries	131,166	158,335
FICA	9,675	11,770
IMRF	20,111	(24,625)
Group Hospital Insurance	25,319	28,126
Health Insurance Reimbursement	4,538	4,253
Unemployment	189	185
Insurance and Bonds	13,081	14,446
Equipment Rentals	1,773	1,558
Office Supplies	2,551	2,963
Postage	6,061	10,041
Memberships and Dues	621	372
Miscellaneous	1,341	1,849
Printing and Publishing	1,565	1,277
Professional Services	53,453	22,055
Customer Refunds	2,141	403
Information Systems	17,757	13,018
Bad Debts	1,705	1,855
Equipment	111	137
Administration - General Fund	140,248	122,402
Training	190	161
Total Administration	<u>433,596</u>	<u>370,581</u>
Depreciation and Amortization	<u>255,901</u>	<u>251,561</u>
Total Operating Expenses - Water Fund	<u>\$ 2,544,048</u>	<u>\$ 2,174,239</u>

CITY OF WATERLOO, ILLINOIS  
SCHEDULES OF EXPENDITURES - PROPRIETARY FUND TYPES  
YEAR ENDED APRIL 30, 2023  
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2022)

	<u>2023</u>	<u>2022</u>
Sewer Fund		
Sewer Treatment Plant		
Salaries	\$ 277,564	\$ 304,385
FICA	19,954	22,192
IMRF	42,723	(49,734)
Group Hospital Insurance	74,854	62,770
Health Insurance Reimbursement	6,382	14,280
Other Post Employment Benefits	6,488	4,289
Other - IMRF	(3,751)	370
Unemployment	388	339
Building Repairs	1,426	363
Machinery Repairs	42,830	67,022
Utilities	206,915	194,428
Communications	17,902	5,395
Department Supplies	1,745	778
Safety Materials	793	1,049
Disposal Fees	3,860	1,760
Chemicals	4,615	11,213
Clothing Allowance	1,033	4,280
Tools	655	470
Vehicle Fuels	-	64
Miscellaneous	3,445	3,697
Office Supplies	383	172
E.P.A. Permits	17,500	17,500
Janitorial Supplies	-	(1)
Training	2,007	1,112
Total Sewer Treatment Plant	<u>729,711</u>	<u>668,193</u>
 Sewer Collection System		
Equipment Lease	2,400	-
Utilities	75,752	71,468
Equipment Repairs	113,589	95,496
Vehicle Fuels	11,630	8,111
Department Supplies	6,966	3,307
Chemicals	239	333
Tools	1,209	71
Fuels	-	1,212
Safety Materials	980	1,200
Repairs and Maintenance	18,978	11,550
Total Sewer Collection System	<u>\$ 231,743</u>	<u>\$ 192,748</u>

CITY OF WATERLOO, ILLINOIS  
SCHEDULES OF EXPENDITURES - PROPRIETARY FUND TYPES  
YEAR ENDED APRIL 30, 2023  
(WITH COMPARATIVE TOTALS FOR APRIL 30, 2022)

	2023	2022
Sewer Fund (Continued)		
Administration		
Salaries	\$ 131,166	\$ 158,335
FICA	9,675	11,827
IMRF	20,111	(24,625)
Group Hospital Insurance	25,319	28,125
Health Insurance Reimbursement	4,538	4,253
Unemployment	189	190
Insurance and Bonds	27,887	29,251
Equipment Rentals	1,773	1,558
Office Supplies	2,662	2,840
Postage	6,106	9,996
Printing and Publishing	1,565	1,277
Miscellaneous	1,341	1,869
Professional Services	78,676	95,613
Customer Refunds	1,147	267
Information Systems	18,169	13,018
Bad Debts	1,434	1,824
Equipment	111	138
Administration - General Fund	99,222	90,647
Training	163	431
Total Administration	431,254	426,834
Depreciation	457,374	435,216
Total Operating Expenses - Sewer Fund	\$ 1,850,082	\$ 1,722,991

CITY OF WATERLOO, ILLINOIS  
SCHEDULE OF INVESTMENTS  
YEAR ENDED APRIL 30, 2023

<b>Governmental Activities</b>	<u>ISSUER</u>	<u>AMOUNT</u>
Capital Improvements Fund		
1 - 3 Year Investment Fund	IMET	\$ 1,486,903
Total Capital Improvements Fund		<u>1,486,903</u>
Total Governmental Activities		<u>1,486,903</u>
<b>Business-Type Activities</b>		
Water Fund		
1 - 3 Year Investment Fund	IMET	<u>2,148,224</u>
Total Water Fund		<u>2,148,224</u>
Sewer Fund		
1 - 3 Year Investment Fund	IMET	<u>1,555,415</u>
Total Sewer Fund		<u>1,555,415</u>
Electric Fund		
1 - 3 Year Investment Fund	IMET	<u>12,657,849</u>
Total Electric Fund		<u>12,657,849</u>
Gas Fund		
1 - 3 Year Investment Fund	IMET	<u>4,055,413</u>
Total Gas Fund		<u>4,055,413</u>
Utility Deposits		
1-3 Year Investment Fund	IMET	<u>317,366</u>
Total Utility Deposits		<u>317,366</u>
Total Business-Type Activities		<u>\$ 20,734,267</u>

SCHEDULE "17" (CONT'D)

CITY OF WATERLOO, ILLINOIS  
SCHEDULE OF INVESTMENTS  
YEAR ENDED APRIL 30, 2023

<b>Fiduciary Fund Types</b>	<u>ISSUER</u>	<u>AMOUNT</u>
Police Pension		
Illinois Police Officers' Pension Investment Fund		\$ 7,588,023
Total Police Pension		<u>7,588,023</u>
Total Fiduciary Fund Types		<u>7,588,023</u>
Total Investments		<u>\$ 29,809,193</u>

**ADDITIONAL INFORMATION**

**(UNAUDITED)**

CITY OF WATERLOO, ILLINOIS  
SCHEDULE OF ASSESSED VALUATION - TAX RATES  
TAXES EXTENDED AND COLLECTED

	TAX YEAR		
	2022	2021	2020
Assessed Valuation	<u>\$ 302,772,926</u>	<u>\$ 286,166,455</u>	<u>\$ 277,736,267</u>
Tax Rates (Per \$100 of Assessed Valuation)			
Corporate	0.04459	0.04740	0.04269
Road and Bridge	0.01652	0.01747	0.01801
Municipal Band	0.00991	0.00803	0.00829
Library	0.14764	0.14989	0.15000
Illinois Municipal Retirement	0.01850	0.01747	0.01639
Social Security	0.04393	0.03492	0.03403
Police Pension	0.22790	0.22837	0.23512
Special Library	0.01969	0.01999	0.02000
Prior Year Adjustment (SB508)	<u>0.00122</u>	<u>0.00050</u>	<u>-</u>
	<u>0.52990</u>	<u>0.52404</u>	<u>0.52453</u>
Taxes Extended			
Corporate	\$ 135,006	\$ 135,643	\$ 118,566
Road and Bridge	50,018	49,993	50,020
Municipal Band	30,005	22,979	23,024
Library	447,014	428,935	416,604
Illinois Municipal Retirement	56,013	49,993	45,521
Social Security	133,008	99,929	94,514
Police Pension	690,020	653,519	653,014
Special library	59,616	57,205	55,547
Prior Year Adjustment (SB508)	<u>3,694</u>	<u>1,431</u>	<u>-</u>
	<u>\$ 1,604,394</u>	<u>\$ 1,499,627</u>	<u>\$ 1,456,810</u>
Taxes Collected			
Corporate		\$ 136,722	\$ 118,449
Road and Bridge		49,874	49,971
Municipal Band		22,925	23,002
Library		427,912	416,192
Illinois Municipal Retirement		49,874	45,476
Social Security		99,707	94,420
Police Pension		651,960	652,368
Special Library		<u>57,069</u>	<u>55,492</u>
		<u>\$ 1,496,043</u>	<u>\$ 1,455,370</u>
Percentage of Extension Collected		<u>99.76%</u>	<u>99.90%</u>

CITY OF WATERLOO, ILLINOIS  
ADDITIONAL INFORMATION  
REGARDING CUSTOMERS AND INSURANCE  
YEAR ENDED APRIL 30, 2023

NOTE 1. CUSTOMERS

The City provides water and sewer service to the following number of customers:

	<u>WATER</u>	<u>SEWER</u>	<u>GAS</u>	<u>ELECTRIC</u>	<u>TRASH</u>
Beginning of Year	4,805	4,604	4,219	5,025	4,430
End of Year	4,872	4,666	4,288	5,079	4,482

NOTE 2. INSURANCE

The following insurance policies are maintained by the City and are in effect as of April 30, 2023.

A. Illinois Municipal League Risk Management Association

Coverage period: December 31, 2022 to December 31, 2023

**SELF-INSURED RETENTION FUND AND EXCESS OR REINSURANCE  
 COVERAGE COMBINED LIMITS OF LIABILITY**

General Liability, Auto Liability Broad Form Property, Civil Constitutional Rights - Assault/Battery, Contractual Liability Employee Benefit Programs Liability, Incidental Malpractice, Intentional Building Removal, Limited Worldwide Liability, Personal Injury/ Advertising Liability, and Watercraft Liability	\$8,000,000 each occurrence, each covered member, for all applicable coverages
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**SPECIAL LIABILITY COVERAGES**

<u>Fire Legal Liability</u>	\$100,000 each occurrence, \$100,000 annual aggregate
<u>Premises Medical Payments</u>	\$3,000 each person, \$1,000,000 each occurrence
<u>Liquor Liability</u>	\$1,000,000 each occurrence, \$1,000,000 annual aggregate
<u>Public Officials/Employees</u>	\$1,000,000 each occurrence, \$8,000,000 annual aggregate
<u>Auto Medical Payments</u>	\$10,000 each person, \$1,000,000 each occurrence
<u>Uninsured/Underinsured Motorist</u>	\$100,000 each person, \$300,000 each accident



CITY OF WATERLOO, ILLINOIS  
ADDITIONAL INFORMATION  
REGARDING CUSTOMERS AND INSURANCE  
YEAR ENDED APRIL 30, 2023

**PROPERTY COVERAGES**

<u>Personal Property/Building</u>	Combined limit: \$30,000,000 any location, each occurrence;
<u>Auto Physical Damage</u>	\$250,000,000 each occurrence, all members
<u>Inland Marine</u>	\$50,000 extra expense
<u>Valuable Papers/Records</u>	\$50,000 each occurrence
<u>Flood and Earthquake Coverage</u>	\$5,000,000 each occurrence / annual aggregate, each covered member, \$76,500,000, annual aggregate, all members

**STAND-ALONE COVERAGES**

<u>Crime Coverage</u>	\$100,000 each occurrence
<u>Workers Compensation/ Occupational Disease</u>	Statutory
<u>Employer's Liability</u>	\$3,000,000 each accident
<u>General Liability, Auto Liability Broad Form Property, Civil Constitutional Rights - Assault/Battery, Contractual Liability Employee Benefit Programs Liability, Incidental Malpractice, Intentional Building Removal Limited Worldwide Liability, Personal Injury/ Advertising Liability, and Watercraft Liability</u>	\$2,000,000 each occurrence
<u>Fire Legal Liability</u>	\$100,000 each occurrence, \$100,000 annual aggregate
<u>Premises Medical Payments</u>	\$3,000 each person, \$2,000,000 each occurrence
<u>Liquor Liability</u>	\$1,000,000 each occurrence, \$1,000,000 annual aggregate
<u>Public Officials/Employees</u>	\$2,000,000 each occurrence

CITY OF WATERLOO, ILLINOIS  
ADDITIONAL INFORMATION  
REGARDING CUSTOMERS AND INSURANCE  
YEAR ENDED APRIL 30, 2023

**STAND-ALONE COVERAGES (CONTINUED)**

<u>Auto Medical Payments</u>	\$10,000 each person, \$1,000,000 each occurrence
<u>Uninsured/Underinsured Motorist</u>	\$100,000 each person, \$300,000 each accident
<u>Flood/Earthquake</u>	\$1,500,000 each occurrence
<u>Auto Physical Damage,</u> <u>Building/Personal Property, Inland Marine</u>	\$2,000,000 each occurrence, each location; \$50,000 extra expense
<u>Crime Coverage</u>	\$100,000 each occurrence
<u>Valuable Papers/Records</u>	\$50,000 each occurrence
<u>Workers Compensation/</u> <u>Occupational Disease</u>	\$2,000,000 each occurrence
<u>Employer's Liability</u>	\$2,000,000 each accident
<u>Additional Endorsements for Electric Utility Liability</u>	\$8,000,000 with no annual aggregate limit
<u>Additional Endorsements for Replacement Cost Value</u>	
Electric Utility Property	\$ 23,453,488
Gas Utility Property	1,758,353

**B. Illinois Municipal League Risk Management Association - Public Official Bond Coverage**

Coverage Period: December 31, 2022 to December 31, 2023

<u>POSITION</u>	<u>INSURED</u>	<u>COVERAGE</u>
Mayor	Stanley T Darter	\$ 50,000
City Clerk	Mechelle Childers	50,000
Finance Officer	Shawn Kennedy	50,000
Treasurer	Brad Papenberg	50,000